

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

2008Open to Public
Inspection**A For the 2008 calendar year, or tax year beginning****, 2008, and ending****, 20**

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization KAISER FOUNDATION HEALTH PLAN, INC Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite ONE KAISER PLAZA, SUITE 15L City or town, state or country, and ZIP + 4 OAKLAND, CA 94612	D Employer identification number 94-1340523 E Telephone number (510) 271-6611
	F Name and address of principal officer: GEORGE C. HALVORSON ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612	G Gross receipts \$ 53477053641. H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶
	I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (3) ◀ (insert no.) 4947(a)(1) or 527	J Website: ▶ N/A
	K Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	L Year of formation: 1955 M State of legal domicile: CA

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: TO PROVIDE HIGH-QUALITY, AFFORDABLE HEALTH CARE SERVICES TO IMPROVE THE HEALTH OF OUR MEMBERS AND THE COMMUNITIES WE SERVE	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	3
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4
	5	Total number of employees (Part V, line 2a)	18,963
	6	Total number of volunteers (estimate if necessary)	224
	Revenue	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)
7b		Net unrelated business taxable income from Form 990-T, line 34	5,265,204.
8		Contribution and grants (Part VIII, line 1)	3,801,313.
9		Program service revenue (Part VIII, line 2g)	3,625,000.
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	29294585979.
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	31484090631.
12		Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	162,424,970.
13		Grants and similar amounts paid (Part IX, column (A), lines 1-3)	69,709,163.
14		Benefits paid to or for members (Part IX, column (A), line 4)	222,343,779.
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	125,087,549.
Expenses	16a	Professional fundraising fees (Part IX, column (A), line 11e)	29683156041.
	16b	Total fundraising expenses, Part IX, column (D), line 25	31682512343.
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	98,274,726.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	1,466,077.
	19	Revenue less expenses. Subtract line 18 from line 12	2,240,343,249.
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	2,329,716,831.
	21	Total liabilities (Part X, line 26)	26838589069.
	22	Net assets or fund balances. Subtract line 21 from line 20.	28980749910.
			29177207044.
		505,948,997.	
		370,579,525.	
		10147368928.	
		8,608,253,691.	
		1,539,115,237.	

Part II Signature Block

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature of officer <i>Deborah Stokes</i> DEBORAH STOKES Type or print name and title		Date 10-16-2009 VP, CONTROLLER & CAO	
Paid Preparer's Use Only	Preparer's signature <i>Regina L. Prince CPA</i>	Date 8-19-09	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 KPMG LLP 55 SECOND STREET SAN FRANCISCO, CA 94105		EIN 13-5565207	Phone no. 415.963.5100

May the IRS discuss this return with the preparer shown above? (See instructions) ☐ Yes ☒ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2008)

Part III Statement of Program Service Accomplishments (see instructions)**1** Briefly describe the organization's mission:

TO PROVIDE HIGH-QUALITY, AFFORDABLE HEALTH CARE SERVICES TO IMPROVE
THE HEALTH OF OUR MEMBERS AND THE COMMUNITIES WE SERVE

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes" describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 29468501454. including grants of \$ 1,466,077.) (Revenue \$ 31189375134.)
SEE STATEMENT 1

4b (Code:) (Expenses \$ 153,258,365. including grants of \$ NONE) (Revenue \$ 28,357,756.)
SEE STATEMENT 1

4c (Code:) (Expenses \$ 628,381,365. including grants of \$ NONE) (Revenue \$ 266,357,741.)
SEE STATEMENT 1

4d Other program services. (Describe in Schedule O.) SEE STATEMENT 3
 (Expenses \$ 7,985,872. including grants of \$ NONE) (Revenue \$ NONE)

4e Total program service expenses ► \$ 30258127056. (Must equal Part IX, Line 25, column (B).)

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	<input checked="" type="checkbox"/>	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	<input checked="" type="checkbox"/>	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	<input checked="" type="checkbox"/>	
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	<input checked="" type="checkbox"/>	
5 Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		<input checked="" type="checkbox"/>
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		<input checked="" type="checkbox"/>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		<input checked="" type="checkbox"/>
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		<input checked="" type="checkbox"/>
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		<input checked="" type="checkbox"/>
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	<input checked="" type="checkbox"/>	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII		<input checked="" type="checkbox"/>
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		<input checked="" type="checkbox"/>
14a Did the organization maintain an office, employees, or agents outside of the U.S.?		<input checked="" type="checkbox"/>
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I		<input checked="" type="checkbox"/>
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II		<input checked="" type="checkbox"/>
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III		<input checked="" type="checkbox"/>
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I		<input checked="" type="checkbox"/>
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		<input checked="" type="checkbox"/>
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		<input checked="" type="checkbox"/>
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H		<input checked="" type="checkbox"/>
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	<input checked="" type="checkbox"/>	
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		<input checked="" type="checkbox"/>
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	<input checked="" type="checkbox"/>	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25		<input checked="" type="checkbox"/>
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		<input checked="" type="checkbox"/>
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I		<input checked="" type="checkbox"/>
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	<input checked="" type="checkbox"/>	
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		<input checked="" type="checkbox"/>

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i>		X
b Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>	X	
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	X	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X

Form **990** (2008)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable.	1a	30800
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	NONE
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	18963
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	2b	X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	X
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country: SEE SCH. O See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a	Did the organization solicit any contributions that were not tax deductible?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7a	X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	

Form 990 (2008)

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.

	Yes	No
1a Enter the number of voting members of the governing body	1a	14
b Enter the number of voting members that are independent	1b	12
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . .	3	X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? . . .	4	X
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	X
6 Does the organization have members or stockholders?	6	X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . .	7b	X
8 Did the organizations contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
9a Does the organization have local chapters, branches, or affiliates?	9a	X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	X
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11	X

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	X
13 Does the organization have a written whistleblower policy?	13	X
14 Does the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a The organization's CEO, Executive Director, or top management official?	15a	X
b Other officers or key employees of the organization?	15b	X
Describe the process in Schedule O. (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	X

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► CA, DC, HI,

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☒ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► NATIONAL DIRECTOR OF TAX, ONE KAISER PLAZA, STE 15L OAKLAND, CA 94612
510.271.6385

Part VIII Statement of Revenue**94-1340523**

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d	542,000.			
	e	Government grants (contributions)	1e	2,581,000.			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	502,000.			
	g	Noncash contributions included in lines 1a-1f: \$					
	h	Total. Add lines 1a-1f		3,625,000.			
Program Service Revenue	2a	MEMBER HEALTH CARE	Business Code 900099	21,339,427,115.	21,339,427,115.		
	b	SUPPLEMENTAL REV	900099	1,457,435,588.	1,457,435,588.		
	c	NON-PLAN & INDUSTR	900099	287,993,592.	276,733,261.	11,260,331.	
	d	OTHER PROGRAM SERV	900099	254,617,707.	254,200,976.	416,731.	
	e	MEDICARE	900099	8,144,616,629.	8,144,616,629.		
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		31,484,090,631.			
	3	Investment income (including dividends, interest, and other similar amounts)		18,190,215.			18,190,215.
4	Income from investment of tax-exempt bond proceeds		NONE				
5	Royalties		NONE				
Other Revenue	6a	Gross Rents	(i) Real 9,721,642.				
	b	Less: rental expenses					
	c	Rental income or (loss)	9,721,642.				
	d	Net rental income or (loss)		9,721,642.		9,721,642.	
	7a	Gross amount from sales of assets other than inventory	(i) Securities 21,845,917,611.	(ii) Other 142,635.			
	b	Less: cost or other basis and sales expenses	21,793,676,177.	865,121.			
	c	Gain or (loss)	52,241,434.	-722,486.			
	d	Net gain or (loss)		51,518,948.		51,518,948.	
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18.	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from fundraising events		NONE			
	9a	Gross income from gaming activities. See Part IV, line 19.	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from gaming activities		NONE			
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less: cost of goods sold	b				
	c	Net income or (loss) from sales of inventory.		NONE			
	Miscellaneous Revenue			Business Code			
11a	PARKING GARAGES	812930	4,367,896.			4,367,896.	
b	INT/EXT INT INCOME	900003	110,998,011.			110,998,011.	
c							
d	All other revenue						
e	Total. Add lines 11a-11d		115,365,907.				
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		31,682,512,343.	31,472,413,569.	11,677,062.	194,796,712.	

Part IX Statement of Functional Expenses**Section 501(c)(3) and 501(c)(4) organizations must complete all columns.****All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	1,466,077.	1,466,077.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	NONE			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	NONE			
4 Benefits paid to or for members	NONE			
5 Compensation of current officers, directors, trustees, and key employees	44,854,971.	NONE	44,854,971.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	NONE			
7 Other salaries and wages	1,639,828,794.	1,332,448,815.	307,379,979.	
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions). .	124,747,482.	112,562,002.	12,185,480.	
9 Other employee benefits	418,997,573.	365,167,114.	53,830,459.	
10 Payroll taxes	101,288,011.	49,837,952.	51,450,059.	
11 Fees for services (non-employees):				
a Management	NONE			
b Legal	81,356,319.		81,356,319.	
c Accounting	4,478,232.		4,478,232.	
d Lobbying	NONE			
e Professional fundraising services. See Part IV, line 17	NONE			
f Investment management fees	NONE			
g Other	NONE			
12 Advertising and promotion	264,345,568.	26,108,636.	238,236,932.	
13 Office expenses	44,744,432.	28,174,265.	16,570,167.	
14 Information technology	2,399,099,791.	2,374,779,904.	24,319,887.	
15 Royalties	NONE			
16 Occupancy	222,016,988.	220,934,963.	1,082,025.	
17 Travel	45,782,844.	33,997,496.	11,785,348.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
19 Conferences, conventions, and meetings	15,471,055.		15,471,055.	
20 Interest	10,081,778.	10,081,778.		
21 Payments to affiliates	NONE			
22 Depreciation, depletion, and amortization . . .	200,472,317.	200,472,317.		
23 Insurance	169,838,419.	169,838,300.	119.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a BASIC CONTRACTUAL PAYMENTS	20566784922.	20566784922.		
b SUPPLIES	1,727,487,930.	1,710,243,908.	17,244,022.	
c CLAIMS -- IN & OUT OF AREA	1,385,770,427.	1,385,770,427.		
d PURCHASED MEDICAL SERVICES	854,055,447.	854,039,046.	16,401.	
e NON-MEDICAL PURCHASED SERVICE	393,192,364.	332,248,704.	60,943,660.	
f All other expenses	595,771,077.	483,170,430.	112,600,647.	
25 Total functional expenses. Add lines 1 through 24f	31311932818.	30258127056.	1,053,805,762.	
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	9,758,811.	1	9,922,271.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,169,521,928.	4	1,649,263,356.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L	1,658,154.	5	2,479,868.
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sales or use	118,820,672.	8	121,913,462.
	9 Prepaid expenses and deferred charges STMT 5	27,477,247.	9	30,650,096.
	10a Land, buildings, and equipment: cost basis 10a 4785918108.			
	b Less: accumulated depreciation. Complete Part VI of Schedule D 10b 2580776829.	2,227,417,523.	10c	2,205,141,279.
	11 Investments - publicly traded securities STMT 6	3,875,693,786.	11	3,502,294,506.
	12 Investments - other securities. See Part IV, line 11	2,469,470,691.	12	2,587,960,962.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	72,221,477.	15	37,743,128.
16 Total assets. Add lines 1 through 15 (must equal line 34)	9,972,040,289.	16	10147368928.	
Liabilities	17 Accounts payable and accrued expenses	2,484,011,448.	17	2,590,720,646.
	18 Grants payable		18	
	19 Deferred revenue	328,539,998.	19	335,411,485.
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D	5,097,360,339.	25	5,682,121,560.
	26 Total liabilities. Add lines 17 through 25	7,909,911,785.	26	8,608,253,691.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund	-164,300,000.	31	-320,584,865.
	32 Retained earnings, endowment, accumulated income, or other funds	2,226,428,504.	32	1,859,700,102.
33 Total net assets or fund balances	2,062,128,504.	33	1,539,115,237.	
34 Total liabilities and net assets/fund balances	9,972,040,289.	34	10147368928.	

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b	Were the organization's financial statements audited by an independent accountant?	2b	X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X
b	If "Yes," did the organization undergo the required audit or audits?	3b	X

- If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box ☒ **X**.
Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy.

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization	Employer identification number
	KAISER FOUNDATION HEALTH PLAN, INC	94-1340523
	Number, street, and room or suite no. If a P.O. box, see instructions.	For IRS use only
	ONE KAISER PLAZA, SUITE 15L	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	OAKLAND, CA 94612	

Check type of return to be filed (File a separate application for each return):

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **NATIONAL DIRECTOR OF TAX**
Telephone No. **510 271.6385** FAX No. **510 271.2611**
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) **_____**. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- I request an additional 3-month extension of time until **11/15/2009**.
- For calendar year **2008**, or other tax year beginning **_____** and ending **_____**.
- If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period
- State in detail why you need the extension **THIS ENTITY IS A MEMBER OF A VERTICALLY INTEGRATED MANAGED HEALTH CARE DELIVERY PROGRAM AND REQUESTS ADDITIONAL TIME TO VERIFY THAT EACH MEMBER'S TAX RETURN DATA IS COMPLETE**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a \$	NONE
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b \$	NONE
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c \$	NONE

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature **Deborah Stokes**Title **VP, CONTROLLER, CAO** Date **7-21-2009**Form **8868** (Rev. 4-2008)

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IRS USE ONLY

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Department of the Treasury
Internal Revenue Service
OGDEN UT 84201-0074

For assistance, call:
1-877-829-5500

Notice Number: CP211A
Date: May 11, 2009

Taxpayer Identification Number:
94-1340523
Tax Form: 990
Tax Period: December 31, 2008

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KAISER FOUNDATION HEALTH PLAN INC
% NATIONAL PAYROLL CENTER
2701 NW VAUGHN ST STE 490
PORTLAND OR 97210-5358154

079360

APPLICATION FOR EXTENSION OF TIME TO FILE AN EXEMPT ORGANIZATION RETURN - APPROVED

We have received your Form 8868, Application for Extension of Time to File an Exempt Organization Return, for the return (form) and tax period identified above.

We have approved your request and have extended the due date to file your return to August 15, 2009.

If you have any questions, please call us at the number shown above, or you may write us at the address shown at the top left of this letter.

Reminder - You May Be Required to File Electronically

Exempt organizations may be required to file certain returns electronically. For tax years ending on or after December 31, 2006, the electronic filing requirement applies to exempt organizations with \$10 million or more in total assets if the organization files at least 250 returns in a calendar year, including income, excise, employment tax and information returns. Private foundations and charitable trusts will be required to file Forms 990-PF electronically regardless of their asset size, if they file at least 250 returns annually. For more information, go to www.irs.gov. Click "Charities and Non-Profits" and look for the "e-file for Charities and Non-Profits" tab.

For tax forms, instructions and information visit www.irs.gov. (Access to this site will not provide you with your specific taxpayer account information.)

RECEIVED
MAY 06 2009
NATIONAL PAYROLL

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

Employer identification number

KAISER FOUNDATION HEALTH PLAN, INC

94-1340523

Part I	Reason for Public Charity Status (All organizations must complete this part.) (see instructions)
---------------	---

The organization is not a private foundation because it is: (Please check only **one** organization.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).** (Attach Schedule H.)

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☒ An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).** (see instructions)

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of on or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 590(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III - Functionally Integrated d ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 590(a)(2).

f ☐ If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box _____

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

	Yes	No
11g(i)		<input checked="" type="checkbox"/>
11g(ii)		<input checked="" type="checkbox"/>
11g(iii)		<input checked="" type="checkbox"/>

(ii) A family member of a person described in (i) above? _____

(iii) A 35% controlled entity of a person described in (i) or (ii) above? _____

h Provide the following information about the organizations the organization supports.

[illegible]

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1-3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4.						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (See instructions.)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	%
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "fact-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10%-facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Schedule A (Form 990 or 990-EZ) 2008

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	1,752,009.	3,889,297.	4,016,679.	3,801,313.	3,625,000.	17,084,298.
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	21,966,928,117.	24,027,319,413.	26,586,574,774.	29,294,585,979.	31,484,090,631.	133,359,498,914.
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1-5	21,968,680,126.	24,031,208,710.	26,590,591,453.	29,298,387,292.	31,487,715,631.	133,376,583,212.
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6.)						133,376,583,212.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6	21,968,680,126.	24,031,208,710.	26,590,591,453.	29,298,387,292.	31,487,715,631.	133,376,583,212.
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	1,722,047.	87,510,670.	193,875,112.	244,851,055.	138,909,868.	666,868,752.
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	1,722,047.	87,510,670.	193,875,112.	244,851,055.	138,909,868.	666,868,752.
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	3,708,799.	4,051,949.	4,235,624.	3,838,878.	4,367,896.	20,203,146.
13 Total support. (Add lines 9, 10c, 11, and 12.)						134,063,655,110.
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	99.49%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	99.47%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	0.50%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	0.51%

- 19a **33 1/3% support tests - 2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☒ **X**
- b **33 1/3% support tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐
- 20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

SCHEDULE A, PART III - OTHER INCOME

DESCRIPTION	2004	2005	2006	2007	2008	TOTAL
PARKING GARAGES	3,708,799.	4,051,949.	4,235,624.	3,838,878.	4,367,896.	20,203,146.
TOTALS	3,708,799.	4,051,949.	4,235,624.	3,838,878.	4,367,896.	20,203,146.
	=====	=====	=====	=====	=====	=====

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities
For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ **To be completed by organizations described below.**
▶ **Attach to Form 990 or Form 990-EZ.**

OMB No. 1545-0047

2008

**Open to Public
Inspection**

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(cy)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization KAISER FOUNDATION HEALTH PLAN, INC	Employer identification number 94-1340523
---	---

Part I-A To be completed by all organizations exempt under section 501(c) and section 527 organizations.
See the instructions for Schedule C for details.

- | | | |
|---|---|---------------------|
| 1 | Provide a description of the organization's direct and indirect political campaign activities in Part IV. | |
| 2 | Political expenditures | ▶ \$ 11,497. |
| 3 | Volunteer hours | NONE |

Part I-B To be completed by all organizations exempt under section 501(c)(3).
See the instructions for Schedule C for details.

- | | | |
|----|---|---|
| 1 | Enter the amount of any excise tax incurred by the organization under section 4955 | ▶ \$ 1,150. |
| 2 | Enter the amount of any excise tax incurred by organization managers under section 4955 | ▶ \$ NONE |
| 3 | If the organization incurred a section 4955 tax, did it file Form 4720 for this year? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 4a | Was a correction made? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| b | If "Yes," describe in Part IV. | |

Part I-C To be completed by all organizations exempt under section 501(c), except section 501(c)(3).
See the instructions for Schedule C for details.

- | | | |
|---|--|--|
| 1 | Enter the amount directly expended by the filing organization for section 527 exempt function activities | ▶ \$ |
| 2 | Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities | ▶ \$ |
| 3 | Total of direct and indirect exempt function expenditures. Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b | ▶ \$ |
| 4 | Did the filing organization file Form 1120-POL for this year? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5 | State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made. Enter the amount paid and indicate if the amount was paid from the filing organization's funds or were political contributions received and promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV. | |

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

Part II-A To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)). See the instructions for Schedule C for details.

- A** Check ☐ if the filing organization belongs to an affiliated group.
B Check ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1 a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)														
d	Other exempt purpose expenditures														
e	Total exempt purpose expenditures (add lines 1c and 1d)														
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g	Grassroots nontaxable amount (enter 25% of line 1f)														
h	Subtract line 1g from line 1a. Enter -0- if line g is more than line a														
i	Subtract line 1f from line 1c. Enter -0- if line f is more than line c														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No												

4-Year Averaging Period Under Section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f of the instructions.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2 a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2008

Part II-B To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)). See the instructions for Schedule C for details.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?	X		111,233.
e Publications, or published or broadcast statements?	X		10,747.
f Grants to other organizations for lobbying purposes?	X		1,349,788.
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		2,406,890.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?	X		155,495.
i Other activities? If "Yes," describe in Part IV		X	
j Total lines 1c through 1i			4,034,153.
2 a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		X	

Part III-A To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6). See the instructions for Schedule C for details.

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carryover lobbying and political expenditures from the prior year?	3	

Part III-B To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" OR if Part III-A, question 3 is answered "Yes." See Schedule C instructions for details.

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)	5	

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5 and Part II-B, line 1i. Also, complete this part for any additional information.

SEE PAGE 4

Part IV Supplemental Information (continued)

SCHEDULE C, PART IV - SUPPLEMENTAL INFORMATION

SCHEDULE C, PART I-A, LINE 1: DESCRIPTION OF DIRECT AND INDIRECT

POLITICAL CAMPAIGN ACTIVITIES

THE DISCLOSED POLITICAL ACTIVITIES RESULTED FROM MEMBERSHIP RENEWAL

INVOICES BEING APPROVED/PAID INCLUDING SUGGESTED "VOLUNTARY

CONTRIBUTIONS", ANNUAL HOLIDAY PARTY, RECEPTION AND POLITICAL ACTION

COMMITTEE EXPENDITURES

SCHEDULE C, PART I-B, LINE 4B: CORRECTIVE ACTION

AS A RESULT OF OUR 2008 INTERNAL INVESTIGATION, KAISER FOUNDATION HEALTH
PLAN, INC ("KAISER") DISCOVERED THAT IMPROPER EXPENDITURES HAVE BEEN PAID
TO POLITICAL ACTION COMMITTEES (PAC). SUCH PAYMENTS ARE CONTRARY TO OUR
LONG-STANDING WRITTEN POLICY ON POLITICAL CAMPAIGN INVOLVEMENT.

WE HAVE REQUESTED A FULL REFUND OF ALL PAYMENTS OR CONTRIBUTIONS FROM
EACH OF THE RECIPIENTS. FOLLOW UP TO THE WRITTEN REQUEST HAS RESULTED IN
EITHER A FULL REFUND, A PROMISE TO REPAY THE CONTRIBUTIONS OR REJECTION
TO REPAY THE FUNDS FROM THE RECIPIENTS.

WE HAVE DISCUSSED THE POLITICAL CAMPAIGN POLICY WITH THE INDIVIDUALS
INVOLVED AND RE-EMPHASIZED THE PROHIBITION IN COMMUNICATION TO ALL STAFF
AT KAISER.

Part IV Supplemental Information (continued)

SCHEDULE C, PART II-B, LINE 1A THROUGH 1I

THE ORGANIZATION IS A MEMBER OF THE KAISER PERMANENTE MEDICAL CARE PROGRAM AND PARTICIPATED AND BENEFITED FROM LOBBYING ACTIVITIES CONDUCTED AT THE REGIONAL AND NATIONAL LEVEL FOR THE BENEFIT OF ITS ENROLLED MEMBERS AND FOR THE HEALTH CARE INDUSTRY AS A WHOLE. AS AN ORGANIZATION GENERALLY EXEMPT FROM INCOME TAX UNDER INTERNAL REVENUE CODE SECTION 501(C)(3), HEALTH PLAN HAS A POLICY PROHIBITING INTERNAL INVOLVEMENT IN ANY POLITICAL CAMPAIGNS. THIS POLICY IS CLOSELY MONITORED FOR COMPLIANCE.

DURING THE YEAR THIS ORGANIZATION MAY HAVE MADE COMMENTS OR STATEMENTS CONCERNING LEGISLATION WHICH MAY AFFECT THE HEALTH CARE INDUSTRY. HEALTH PLAN MAY HAVE ENGAGED IN TELEPHONE CONVERSATIONS AND/OR WRITTEN LETTERS TO VARIOUS FEDERAL, STATE, AND LOCAL OFFICIALS REGARDING MATTERS WHICH AFFECTED THE HEALTHCARE INDUSTRY AS A WHOLE. THE AMOUNT OF TIME AND MONEY INVOLVED IN THE ACTIVITIES IS DETAILED ON LINES A THROUGH I.

HEALTH PLAN HAS SEVERAL EMPLOYEES AND/OR MAY RETAIN A PROFESSIONAL CONSULTANT TO REPRESENT HEALTH PLAN'S INTERESTS IN VARIOUS LEGISLATIVE AND REGULATORY BODIES AND FROM TIME-TO-TIME TO KEEP INFORMED OF FEDERAL AND STATE LEGISLATION HAVING AN IMPACT ON HEALTH PLAN'S CHARITABLE ACTIVITIES AS AN EXEMPT HEALTH MAINTENANCE ORGANIZATION.

THESE INDIVIDUALS ATTEMPT TO ENSURE THAT PROPOSED LEGISLATION AND ENACTED LAWS ARE COMPATIBLE WITH THE INTEREST OF HEALTH PLAN AND ITS MEMBERS BY

Part IV Supplemental Information (continued)

PERFORMING THE FOLLOWING ACTIVITIES:

- COLLECTING, ANALYZING AND DISTRIBUTING WITHIN THE ORGANIZATION,
PUBLIC AND PRIVATE POLICY RECOMMENDATIONS REGARDING PROPOSED LEGISLATION
THAT AFFECT THE OPERATION OF HEALTH PLAN AND ITS ABILITY TO PROVIDE
QUALITY HEALTH AND MEDICAL CARE SERVICES TO ITS MEMBERS IN A COST
EFFECTIVE ENVIRONMENT.

- PROVIDING APPROPRIATE INFORMATIONAL MATERIALS TO LEGISLATORS AND TO
THEIR STAFFS THAT PERTAIN TO MATTERS OF COMMON INTEREST IN THE HEALTH
CARE COMMUNITY AND IN THE NOT-FOR-PROFIT COMMUNITY.

- ALSO BY PREPARING WRITTEN AND ORAL TESTIMONY, THESE INDIVIDUALS
APPEAR AT LEGISLATIVE HEARINGS, MONITOR LEGISLATIVE PROCEEDINGS AND MEET
WITH LEGISLATORS AND/OR THEIR STAFFS REGARDING ISSUES PERTINENT TO THE
MISSION OF HEALTH PLAN. THOSE INDIVIDUALS APPEARING AT SUCH HEARINGS AND
MEETINGS FOR AND ON BEHALF OF HEALTH PLAN OFTEN ARE REPRESENTING THE
INTERESTS OF COMMON INTEREST GROUPS AS WELL AS THE INTERESTS OF THE
MEMBERS OF HEALTH PLAN.

- OTHER EMPLOYEES AND OFFICERS PERFORM SERVICES BY DELIVERING SPEECHES
AT VARIOUS PUBLIC AND PRIVATE FUNCTIONS AND IN SERVING AS FACULTY IN
HEALTHCARE RELATED EDUCATIONAL PROGRAMS THROUGHOUT THE COMMUNITY.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Financial Statements

► Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008

Open to Public
Inspection

KAISER FOUNDATION HEALTH PLAN, INC

Employer identification number

94-1340523

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically importantly land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ► \$ _____

b Assets included in Form 990, Part X ► \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations
 d ☐ Loan or exchange programs
 e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ▶ _____ %
 b Permanent endowment ▶ _____ %
 c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		416,262,330.		416,262,330.
b Buildings		2493137200.	1115622218.	1,377,514,982.
c Leasehold improvements		658,874,833.	455,058,646.	203,816,187.
d Equipment		599,512,165.	545,742,135.	53,770,030.
e Other		618,131,580.	464,353,830.	153,777,750.
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				2,205,141,279.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other SECURITIES LENDING COLLATERAL	1,135,349,099.	FMV
MARKETABLE SECURITIES - KESOP	10,388,607.	FMV
OTHER SECURITIES	1,442,223,256.	FMV
Total. (Column (b) should equal Form 990, Part X, col. (B) line 12.) ►	2,587,960,962.	

Part VIII Investments - Program Related. See Form 990, Part X, line 13.[illegible]**Part IX** **Other Assets.** See Form 990, Part X, line 15.[illegible]

Part X **Other Liabilities.** See Form 990, Part X, line 25.

(a) Description of liability	(b) Amount
Federal income taxes	
SEE STATEMENT 7	
Total. (Column (b) should equal Form 990, Part X, col. (B) line 25.) ▶	5,682,121,560.

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net). Add lines 4-8	9	
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

SCHEDULE D, PART X**FIN 48 FOOTNOTE NOT REQUIRED**

Part XIV Supplemental Information *(continued)*

Area with horizontal dashed lines for supplemental information.

Department of the Treasury
Internal Revenue Service
Name of the organization

► Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22.
► Attach to Form 990.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Employer identification number

94-1340523

KAISER FOUNDATION HEALTH PLAN, INC

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II **Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed

[illegible]

- | | | | |
|---|--|---|-----|
| 2 | Enter total number of section 501(c)(3) and government organizations | ▶ | 341 |
| 3 | Enter total number of other organizations | ▶ | 1 |

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) 2008

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

PROCEDURES FOR MONITORING GRANTS

SCHEDULE I, PART I, LINE 2

GRANTEES ARE REQUIRED TO SUBMIT A FINAL REPORT THAT DESCRIBES PROGRESS

TOWARD GOALS, IMPACT TO DATE, AS WELL AS A FINANCIAL ACCOUNTING FOR HOW

FUNDS WERE USED.

SCHEDULE I-1
(Form 990)

Continuation Sheet for Schedule I (Form 990)

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

► Attach to Form 990 to list additional information for •
Part II and Part III, Schedule I (Form 990)

Name of the organization

Employer identification number

KAISER FOUNDATION HEALTH PLAN, INC

94-1340523

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the U.S. (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
<u>AIDS NUTRITION SERVICES ALLIANCE</u>							
1015 18TH ST NW WASHINGTON, DC 20036	95-4636640	501(C)(3)	9,750.				CONFERENCE SUPPORT
<u>ALLEN TEMPLE BAPTIST CHURCH</u>							
8501 INTERNATIONAL BLVD OAKLAND, CA 94612	94-1747125	501(C)(3)	8,333.				EVENT SUPPORT
<u>ALLEN TEMPLE BAPTIST CHURCH</u>							
8501 INTERNATIONAL BLVD OAKLAND, CA 94612	94-1747125	501(C)(3)	10,000.				GENERAL OP. SUPPORT
<u>AMERICAN ASSOC OF PHYSICIANS FOR HMN RIGHT</u>							
459 FULTON ST SAN FRANCISCO, CA 94102	94-2901694	501(C)(3)	7,120.				CONFERENCE SUPPORT
<u>AMERICAN CANCER SOCIETY INC</u>							
1240 PALMYRITA #A RIVERSIDE, CA 92507	94-1170350	501(C)(3)	7,460.				BOARD VIP GRANT
<u>AMERICAN DIABETES ASSOCIATION</u>							
40575 CAL OAKS RD D-2 MURRIETA, CA 92562	13-1623888	501(C)(3)	10,000.				ANNUAL FUNDRAISER
<u>AMERICAN HEART ASSOCIATION INC</u>							
1400 N DUTTON AVE SANTA ROSA, CA 95401	13-5613797	501(C)(3)	14,500.				SPONSORSHIP
<u>AMERICAN HEART ASSOCIATION INC</u>							
930 S MT VERNON AVE COLTON, CA 92324	13-5613797	501(C)(3)	16,070.				EVENT SUPPORT
<u>AMERICAN HEART ASSOCIATION INC</u>							
1400 N DUTTON AVE SANTA ROSA, CA 95401	13-5613797	501(C)(3)	10,000.				GO RED FOR WOMEN
<u>AMERICAN HEART ASSOCIATION INC</u>							
120 MONTGOMERY ST SAN FRANCISCO, CA 94104	13-5613797	501(C)(3)	14,610.				GO RED FOR WOMEN
<u>AMERICAN HEART ASSOCIATION INC</u>							
1400 N DUTTON AVE SANTA ROSA, CA 95401	13-5613797	501(C)(3)	30,000.				GO RED FOR WOMEN
<u>AMERICAN HEART ASSOCIATION INC</u>							
1400 N DUTTON AVE SANTA ROSA, CA 95401	13-5613797	501(C)(3)	50,000.				HEARTWALK SPONSOR
<u>ARIZONA ASSOC OF COMMUNITY HEALTH CENTERS</u>							
700 E JEFFERSON ST PHOENIX, AZ 85034	86-0494702	501(C)(3)	20,000.				CONFERENCE SUPPORT
<u>ASIAN & PAC ISLANDER AMERICAN HEALTH FORUM</u>							
450 SUTTER ST SAN FRANCISCO, CA 94108	94-3030866	501(C)(3)	25,000.				CONFERENCE SUPPORT
<u>ASIAN PACIFIC WOMENS CENTER</u>							
1145 WILSHIRE BLVD LOS ANGELES, CA 90017	93-1102854	501(C)(3)	8,000.				EVENT SUPPORT

2 Enter total number of Section 501(c)(3) and government organizations

341

3 Enter total number of other organizations

1

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2008

**SCHEDULE I-1
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Continuation Sheet for Schedule I (Form 990)

► Attach to Form 990 to list additional information for
Part II and Part III, Schedule I (Form 990)

OMB No. 1545-0047

2008

**Open to Public
Inspection**

KAISER FOUNDATION HEALTH PLAN, INC

Employer identification number

94-1340523

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the U.S. (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
<u>BARNSDALL ART PARK FOUNDATION</u>							
4800 HOLLYWOOD BLVD LOS ANGELES, CA 90027	54-2069148	501(C)(3)	5,500.				ANNUAL FUNDRAISER
<u>BIG BROTHERS BIG SISTERS OF THE BAY AREA</u>							
731 MARKET ST SAN FRANCISCO, CA 94103	23-7108045	501(C)(3)	25,000.				PROJECT SUPPORT
<u>BOSTON COLLEGE TRUSTEES</u>							
55 LEE RD CHESTNUT HILL, MA 02467	04-2103545	501(C)(3)	10,000.				CONFERENCE SUPPORT
<u>BOSTON COLLEGE TRUSTEES</u>							
55 LEE RD CHESTNUT HILL, MA 02467	04-2103545	501(C)(3)	30,000.				CONFERENCE SUPPORT
<u>BREAST CANCER EMERGENCY FUND</u>							
965 MISSION ST SAN FRANCISCO, CA 94103	20-3203899	501(C)(3)	12,100.				PRESENTING SPONSOR
<u>CALIFORNIA BLACK CHAMBER OF COMMERCE</u>							
2951 SUNRISE BLVD RANCHO CORDOVA, CA 95742	68-0416294	501(C)(3)	10,000.				CONFERENCE SUPPORT
<u>CALIFORNIA LEGISLATIVE BLACK CAUCUS FDN</u>							
4327 DEGNAN BLVD LOS ANGELES, CA 90008	20-0170129	501(C)(3)	12,500.				EVENT SUPPORT
<u>CA WOMENS ASSOC FOR EDUCATION AND RSCRH</u>							
1029 K ST SACRAMENTO, CA 95814	51-0184448	501(C)(3)	12,500.				EVENT SUPPORT
<u>CENTRAL CITY ASSOCIATION OF LOS ANGELES</u>							
626 WILSHIRE BLVD LOS ANGELES, CA 90017	95-0691090	501(C)(3)	15,000.				EVENT SUPPORT
<u>CHABOT SPACE & SCIENCE CENTER</u>							
10000 SKYLINE BLVD OAKLAND, CA 94619	94-3146233	501(C)(3)	22,485.				ANNUAL FUNDRAISER
<u>CITY OF DOWNEY COMMUNITY SERVICES</u>							
7810 QUILL DR DOWNEY, CA 90242	95-1918226	GOVERNMENT	10,729.				KP FITNESS CENTER
<u>COMMUNITY FOOD SECURITY COALITION INC</u>							
3830 SE DIVISION ST PORTLAND, OR 97202	06-1495135	501(C)(3)	24,000.				CONFERENCE SUPPORT
<u>CONGRESSIONAL BLACK CAUCUS FOUNDATION INC</u>							
1720 MASSACHUSETTS AVE NW WSHNGTN, DC 20036	52-1160561	501(C)(3)	15,000.				CONFERENCE SUPPORT
<u>COUNCIL ON FOUNDATIONS</u>							
2121 CRYSTAL DR ARLINGTON, VA 22202	13-6068327	501(C)(3)	23,000.				GENERAL OP. SUPPORT
<u>COUNCIL ON FOUNDATIONS</u>							
2121 CRYSTAL DR ARLINGTON, VA 22202	13-6068327	501(C)(3)	23,000.				GENERAL OP. SUPPORT

2 Enter total number of Section 501(c)(3) and government organizations

3 Enter total number of other organizations

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2008

SCHEDULE I-1
(Form 990)

Continuation Sheet for Schedule I (Form 990)

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service
Name of the organization

► Attach to Form 990 to list additional information for
Part II and Part III, Schedule I (Form 990)

KAISER FOUNDATION HEALTH PLAN, INC

Employer identification number

94-1340523

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the U.S. (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
COUNTY OF SONOMA DEPT OF HEALTH SVC 3313 CHANATE RD SANTA ROSA, CA 95404	94-6000539	GOVERNMENT	50,000.				HEALTH ACTION
DRUG ABUSE ALTERNATIVES CENTER 2380 PROFESSIONAL DR SANTA ROSA, CA 95403	94-1694676	501(C)(3)	25,000.				GENERAL OP. SUPPORT
EDUCATIONAL BROADCASTING CORP 356 W 58TH ST NEW YORK, NY 10019	13-1945149	501(C)(3)	25,000.				PROJECT SUPPORT
GIRLS INCORPORATED OF ALAMEDA COUNTY 13666 E 14TH ST SAN LEANDRO, CA 94578	94-1558073	501(C)(3)	14,000.				ANNUAL FUNDRAISER
GRANTMAKERS IN HEALTH 1100 CONNECTICUT AVE NW WASHINGTON, DC 20036	13-3206571	501(C)(3)	10,000.				GENERAL OP. SUPPORT
GREENLINING INSTITUTE 1918 UNIVERSITY AVE BERKELEY, CA 94704	94-3173571	501(C)(3)	10,000.				CONFERENCE SUPPORT
GROUP HEALTH/GROUP HEALTH COMMUNITY FDN 1730 MINOR AVE SEATTLE, WA 98101	91-1246278	501(C)(3)	10,000.				ANNUAL FUNDRAISER
HAMAKUA HEALTH CENTER 45-549 PLUMERIA ST HONOKAA, HI 96727	99-0115515	501(C)(3)	50,000.				ANNIVERSARY AWARD
HEALTH EDUCATION RSCRCH AND EVALUATION FDN 5575 RUFFIN RD SAN DIEGO, CA 92123	33-0496092	501(C)(3)	17,500.				GENERAL OP. SUPPORT
INDEPENDENT SECTOR 1200 EIGHTEENTH ST NW WASHINGTON, DC 20036	52-1081024	501(C)(3)	10,000.				CONFERENCE SUPPORT
INSTITUTE OF MEDICINE AS A PROFESSION 630 W 168TH ST NEW YORK, NY 10032	33-1033330	501(C)(3)	10,000.				PROJECT SUPPORT
JUNIOR ACHIEVEMENT OF SAN DIEGO AND IMPERIA 4756 MISSION GORGE PL SAN DIEGO, CA 92120	95-1727087	501(C)(3)	14,800.				EVENT SUPPORT
LATINAS CONTRA CANCER 127 N 4TH ST SAN JOSE, CA 95112	56-2412069	501(C)(3)	8,334.				CONFERENCE SUPPORT
LEAGUE OF CALIFORNIA CITIES 1400 K ST SACRAMENTO, CA 95814	94-6000835	GOVERNMENT	12,500.				CB PROGRAM SUPPORT
MEDIA AND POLICY CENTER FOUNDATION OF CA 2932 WILSHIRE BLVD SANTA MONICA, CA 90403	52-2404670	501(C)(3)	75,000.				PROJECT SUPPORT

2 Enter total number of Section 501(c)(3) and government organizations

3 Enter total number of other organizations

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2008

SCHEDULE I-1
(Form 990)

Continuation Sheet for Schedule I (Form 990)

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

► Attach to Form 990 to list additional information for
Part II and Part III, Schedule I (Form 990)

Name of the organization

Employer identification number

KAISER FOUNDATION HEALTH PLAN, INC

94-1340523

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the U.S. (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
<u>MEDICARE RIGHTS CENTER INC</u>							
520 EIGHTH AVE NEW YORK, NY 10018	13-3505372	501(C)(3)	8,500.				ANNUAL FUNDRAISER
<u>MUSEUM OF THE AFRICAN DIASPORA</u>							
685 MISSION ST SAN FRANCISCO, CA 94105	94-3338239	501(C)(3)	21,121.				ANNUAL FUNDRAISER
<u>NATIONAL COMMITTEE FOR QUALITY ASSURANCE</u>							
2000 L ST WASHINGTON, DC 20036	52-1191985	501(C)(3)	8,400.				EVENT SUPPORT
<u>NATIONAL KOREAN AMERICAN SVC & EDUCATIONAL</u>							
900 S CRENSHAW BLVD LOS ANGELES, CA 90019	11-3303986	501(C)(3)	10,000.				GENERAL OP. SUPPORT
<u>PUBLIC HEALTH INSTITUTE</u>							
555 12TH ST OAKLAND, CA 94607	94-1646278	501(C)(3)	25,000.				CONFERENCE SUPPORT
<u>RURAL COMMUNITY ASSISTANCE</u>							
3120 FREEBOARD DR W SACRAMENTO, CA 95691	94-2512284	501(C)(3)	25,000.				PROJECT SUPPORT
<u>SENIORS INC</u>							
5840 E EVANS AVE DENVER, CO 80222	23-7090107	501(C)(3)	8,000.				GENERAL OP. SUPPORT
<u>SHOES THAT FIT</u>							
1420 N CLAREMONT BL CLAREMONT, CA 91711	95-4425565	501(C)(3)	7,500.				GENERAL OP. SUPPORT
<u>THE MOREHOUSE SCHOOL OF MEDICINE INC</u>							
720 WESTVIEW DR SW ATLANTA, GA 30310	58-1438873	501(C)(3)	10,000.				CONFERENCE SUPPORT
<u>UNIVERSITY OF SOUTHERN CALIFORNIA</u>							
3651 TROUSDALE PKWY LOS ANGELES, CA 90089	95-1642394	501(C)(3)	50,000.				CB PROGRAM SUPPORT
<u>VOLUNTEER CENTER OF ORANGE COUNTY</u>							
1901 E FOURTH ST SANTA ANA, CA 92705	95-2021700	501(C)(3)	6,500.				CB PROGRAM SUPPORT

2 Enter total number of Section 501(c)(3) and government organizations

3 Enter total number of other organizations

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2008

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Attach to Form 990. To be completed by organizations
that answered "Yes" to Form 990, Part IV, line 23.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

KAISER FOUNDATION HEALTH PLAN, INC

Employer identification number

94-1340523

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

☒ First-class or charter travel

☒ Travel for companions

☒ Tax indemnification and gross-up payments

☐ Discretionary spending account

☐ Housing allowance or residence for personal use

☐ Payments for business use of personal residence

☒ Health or social club dues or initiation fees

☒ Personal services (e.g., maid, chauffeur, chef)

b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

☒ Compensation committee

☒ Independent compensation consultant

☒ Form 990 of other organizations

☒ Written employment contract

☒ Compensation survey or study

☒ Approval by the board or compensation committee

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:

a Receive a severance payment or change of control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

b Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

b Any related organization?

If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

Yes No

1b **X**

2 **X**

4a **X**

4b **X**

4c **X**

5a **X**

5b **X**

6a **X**

6b **X**

7 **X**

8 **X**

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

Schedule J (Form 990) 2008

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

SCHEDULE J, PART I, LINE 4-A**SEVERANCE PAYMENTS**

CLIFFORD J DODD \$957,231

LAURENCE O'NEIL \$830,355

KEITH SHULTZ \$569,500

DAVID WATSON \$463,405

JANICE L HEAD \$289,779

THEODORE E WISE \$229,950

SCHEDULE J, PART I, LINE 4-B**SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN PAYMENTS**

DANIEL GARCIA \$1,203,891

GEORGE HALVORSON \$1,237,500

STEVEN ZATKIN \$ 942,497

BERNARD TYSON \$ 940,810

DAVID CATES \$ 607,988

LOUISE LIANG \$ 552,503

ALIDE CHASE \$ 434,436

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

LAURENCE O'NEIL	\$ 396,701
MARY ANN THODE	\$ 363,951
RAYMOND BAXTER	\$ 360,957
CHARLES KOCH	\$ 354,097
RONALD KNOX	\$ 325,412
JAMES TURNER	\$ 317,051
LARRY WILSON	\$ 309,097
SANDRA SMALL	\$ 243,743
ALBERT CARVER	\$ 237,346
ARTHUR SOUTHAM	\$ 216,841
JERRY FLEMING	\$ 207,942
HERMAN WEIL	\$ 201,757
KATHRYN LANCASTER	\$ 175,273
CHARLES SABATINO	\$ 170,508
PHILIP FASANO	\$ 169,207
DEBORAH STOKES	\$ 164,551
CHRISTINE MALCOLM	\$ 147,311
BENJAMIN CHU	\$ 137,146

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

GREGORY ADAMS	\$ 115,053
JUDITH MEARS	\$ 114,432
ROBERT CRANE	\$ 104,748
MITCHELL GOODSTEIN	\$ 102,205
PAUL RECORDS	\$ 99,632
JANET LIANG	\$ 84,957
DIANE GAGE LOFGREN	\$ 73,989
GEORGE DISALVO	\$ 70,186
CHRISTINE PAIGE	\$ 64,833
WADE OVERGAARD	\$ 48,530
ANNE CADWELL	\$ 43,639
THOMAS MEIER	\$ 39,947
DEAN EDWARDS	\$ 39,608
MICHAEL HUACO	\$ 38,396
JAMES SIMPSON III	\$ 32,201
CARLOS ZARAGOZA	\$ 30,691
SANDRA GOLZE	\$ 27,417
STANLEY WATSON	\$ 26,017

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

JOHN STENSON \$ 9,631

JANICE HEAD \$ 657

SCHEDULE J, PART I, LINE 7

NON-FIXED PAYMENTS

THE ORGANIZATION PROVIDED NON-FIXED PAYMENTS TO SOME OF THE PERSONS

LISTED. PAYMENTS WERE MADE UNDER INCENTIVE PLANS, BASED ON ATTAINMENT OF

ORGANIZATIONAL PERFORMANCE GOALS AND INDIVIDUAL PERFORMANCE, DESIGNED TO

SUPPORT THE ORGANIZATION'S MISSION TO PROVIDE HIGH-QUALITY, AFFORDABLE

CARE AND IMPROVE THE HEALTH OF ITS MEMBERS AND THE COMMUNITIES IT SERVES.

THE PLANS' ORGANIZATIONAL PERFORMANCE GOALS INCLUDED: QUALITY OF CARE AND

SERVICE, MEMBERSHIP GROWTH, OPERATING INCOME, PER MEMBER EXPENSE TREND,

AND COMMUNITY BENEFIT. PLAN DESIGNS, PERFORMANCE, AND PAYOUT LEVELS, AS

WELL AS INDIVIDUAL PAYMENTS TO CERTAIN PERSONS, WERE REVIEWED AND

APPROVED BY THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS,

COMPRISED OF INDEPENDENT DIRECTORS.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

SCHEDULE J, PART I, LINE 1

FIRST CLASS TRAVEL:

ALL BOARD OF DIRECTORS, CHIEF EXECUTIVE OFFICER, SENIOR VICE PRESIDENTS

AND OTHER SENIOR MANAGERS AS APPROVED BY THE COMPENSATION COMMITTEE

TRAVEL FOR COMPANIONS:

AS APPROVED BY SENIOR MANAGERS IN CONNECTION WITH BUSINESS

TAX INDEMNIFICATION:

LIMITED TO CHIEF EXECUTIVE OFFICER OR AT THE DISCRETION OF THE CHIEF

FINANCIAL OFFICER

HEALTH OR SOCIAL CLUB DUES:

INCLUDED IN COMPENSATION WHEN APPROVED

PERSONAL SERVICES:

CEO'S PERSONAL TRANSPORTATION - REPORTED IN COMPENSATION

SCHEDULE J-1
(Form 990)

Continuation Sheet for Schedule J (Form 990)

OMB No. 1545-0047

2008

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Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 to list additional information
regarding compensation.

Name of the organization

KAISER FOUNDATION HEALTH PLAN, INC

Employer identification number

94-1340523

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (Schedule J, Part II)

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
GREGORY A. ADAMS	(i)	460,247.	260,572.	101,891.	148,786.	13,027.	984,523.	210,572.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
RAYMOND J. BAXTER	(i)	458,427.	446,245.	349,263.	238,937.	13,690.	1,506,562.	721,979.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
ANNE V CADWELL	(i)	301,333.	181,911.	55,317.	69,831.	13,027.	621,419.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
ALBERT L CARVER	(i)	281,997.	137,329.	172,409.	188,377.	11,762.	791,874.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
CHRISTINE K. CASSEL, MD	(i)	163,750.	NONE	NONE	NONE	NONE	163,750.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
DAVID C CATES	(i)	287,144.	175,000.	362,765.	277,755.	12,702.	1,115,366.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
THOMAS W. CHAPMAN, EDD	(i)	123,500.	NONE	16,174.	68,750.	NONE	208,424.	NONE
	(ii)	20,900.	NONE	NONE	NONE	NONE	20,900.	NONE
ALIDE L CHASE	(i)	236,720.	129,957.	579,314.	162,251.	13,690.	1,121,932.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
BENJAMIN K. CHU	(i)	468,002.	392,166.	59,322.	173,019.	11,762.	1,104,271.	407,666.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
ROBERT M. CRANE	(i)	275,098.	413,814.	156,631.	23,392.	5,164.	874,099.	539,371.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
GEORGE A DISALVO	(i)	329,579.	213,059.	50,768.	96,613.	11,762.	701,781.	213,059.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
CLIFFORD J. DODD	(i)	NONE	NONE	957,231.	NONE	12,790.	970,021.	957,231.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
STEVEN DOSHAY	(i)	175,999.	38,896.	5,437.	33,473.	11,762.	265,567.	38,896.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
DEAN J EDWARDS	(i)	283,507.	147,703.	86,322.	64,237.	13,690.	595,459.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
PHILIP FASANO	(i)	591,887.	246,034.	135,792.	186,510.	13,533.	1,173,756.	246,034.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JERRY C. FLEMING	(i)	375,067.	371,774.	190,410.	155,060.	13,690.	1,106,001.	503,464.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-1 (Form 990) 2008

SCHEDULE J-1
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule J (Form 990)

► Attach to Form 990 to list additional information
regarding compensation.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

KAISER FOUNDATION HEALTH PLAN, INC

Employer identification number

94-1340523

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (Schedule J, Part II)

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
DANIEL P. GARCIA	(i)	366,253.	335,117.	1,189,301.	179,055.	11,970.	2,081,696.	1,239,969.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
SANDRA A. GOLZE	(i)	210,709.	44,262.	36,149.	60,111.	13,690.	364,921.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
MITCHELL J. GOODSTEIN	(i)	372,817.	287,805.	65,979.	138,709.	13,690.	879,000.	295,568.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
WILLIAM R. GRABER	(i)	196,250.	NONE	11,566.	NONE	NONE	207,816.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
J. EUGENE GRIGSBY, III, P	(i)	198,750.	NONE	3,030.	NONE	NONE	201,780.	NONE
	(ii)	22,400.	NONE	NONE	NONE	NONE	22,400.	NONE
GEORGE C. HALVORSON	(i)	1,132,896.	3,375,668.	1,317,156.	46,724.	12,702.	5,885,146.	3,385,154.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JANICE L. HEAD	(i)	NONE	NONE	305,584.	NONE	8,527.	314,111.	305,584.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
MICHAEL J HUACO	(i)	267,067.	176,484.	31,409.	64,588.	21,398.	560,946.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JUDITH A. JOHANSEN	(i)	184,750.	NONE	11,386.	NONE	NONE	196,136.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
RONALD KNOX	(i)	281,455.	161,237.	216,265.	236,461.	13,690.	909,108.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
CHARLES STEPHEN KOCH	(i)	211,911.	78,380.	360,207.	40,300.	13,690.	704,488.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
KATHRYN LANCASTER	(i)	545,871.	606,732.	43,222.	208,336.	13,690.	1,417,851.	607,349.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
KEITH A. LEE	(i)	146,849.	46,068.	100,537.	25,154.	9,853.	328,461.	56,992.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JANET A. LIANG	(i)	346,758.	68,622.	56,255.	94,947.	9,853.	576,435.	65,833.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
LOUISE LIANG	(i)	564,579.	599,468.	333,595.	305,745.	13,690.	1,817,077.	888,512.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
DIANE E. GAGE LOFGREN	(i)	334,981.	114,973.	56,528.	103,907.	12,702.	623,091.	130,473.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-1 (Form 990) 2008

SCHEDULE J-1
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule J (Form 990)

► Attach to Form 990 to list additional information
regarding compensation.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

Employer identification number

KAISER FOUNDATION HEALTH PLAN, INC

94-1340523

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (Schedule J, Part II)

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
CHRISTINE L. MALCOLM	(i)	368,980.	86,984.	128,203.	288,546.	13,690.	886,403.	245,341.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
PHILIP A. MARINEAU	(i)	181,250.	NONE	11,566.	NONE	NONE	192,816.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
DANIEL K MAZANY	(i)	232,166.	63,141.	19,133.	441,395.	13,690.	769,525.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JUDITH M. MEARS	(i)	207,836.	95,894.	107,424.	122,886.	12,702.	546,742.	157,502.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
THOMAS R. MEIER	(i)	257,251.	214,717.	57,257.	69,668.	13,027.	611,920.	219,308.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JENNY J. MING	(i)	167,250.	NONE	11,566.	NONE	NONE	178,816.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
INDRAJIT OBEYSEKERE	(i)	191,498.	41,686.	14,255.	30,464.	12,702.	290,605.	41,686.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
LAURENCE O'NEIL	(i)	37,252.	1,227,017.	1,609,581.	7,722.	12,790.	2,894,362.	2,737,611.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
WADE OVERGAARD	(i)	352,933.	187,295.	116,475.	82,772.	13,027.	752,502.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
CHRISTINE J PAIGE	(i)	332,841.	165,194.	27,299.	103,807.	13,690.	642,831.	167,768.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
EDWARD PEI	(i)	170,500.	NONE	NONE	15,500.	NONE	186,000.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
J. NEAL PURCELL	(i)	209,250.	NONE	325.	NONE	NONE	209,575.	NONE
	(ii)	17,700.	NONE	9,926.	NONE	NONE	27,626.	NONE
PAUL B. RECORDS	(i)	423,452.	112,301.	54,582.	128,435.	12,702.	731,472.	112,301.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
CHARLES N SABATINO	(i)	275,554.	143,704.	190,096.	56,176.	22,732.	688,262.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
KEITH SHULTZ	(i)	NONE	159,940.	569,500.	153,327.	12,790.	895,557.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JAMES H SIMPSON III	(i)	249,703.	97,940.	31,439.	58,948.	13,690.	451,720.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-1 (Form 990) 2008

SCHEDULE J-1
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule J (Form 990)

▶ Attach to Form 990 to list additional information
regarding compensation.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

KAISER FOUNDATION HEALTH PLAN, INC

Employer identification number

94-1340523

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (Schedule J, Part II)

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
SANDRA SMALL	(i)	337,094.	140,419.	159,126.	197,707.	13,690.	848,036.	258,442.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
ARTHUR M. SOUTHAM	(i)	679,813.	883,545.	63,069.	248,703.	11,225.	1,886,355.	887,341.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JOHN M STENSON	(i)	79,327.	25,000.	35,168.	14,977.	13,287.	167,759.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
DEBORAH STOKES	(i)	278,007.	178,237.	149,787.	102,540.	13,027.	721,598.	286,139.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
CYNTHIA A. TELLES, PH.D.	(i)	188,750.	NONE	8,189.	NONE	NONE	196,939.	NONE
	(ii)	12,900.	NONE	NONE	NONE	NONE	12,900.	NONE
MARY ANN THODE	(i)	454,002.	506,837.	409,727.	56,408.	13,690.	1,440,664.	870,788.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
SANDRA P. THOMPCKINS	(i)	122,825.	NONE	11,362.	56,675.	NONE	190,862.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
JAMES TURNER	(i)	106,502.	387,080.	377,678.	12,940.	6,229.	890,429.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
BERNARD J. TYSON	(i)	627,705.	786,911.	996,570.	235,852.	13,690.	2,660,728.	1,504,843.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
DAVID WATSON	(i)	NONE	NONE	463,405.	NONE	12,790.	476,195.	463,405.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
STANLEY B WATSON	(i)	190,036.	31,089.	56,360.	78,857.	13,690.	370,032.	NONE
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
HERMAN M WEIL	(i)	299,280.	168,498.	136,928.	187,128.	12,351.	804,185.	261,270.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
LARRY WILSON	(i)	44,199.	543,963.	353,885.	11,963.	12,393.	966,403.	826,476.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
THEODORE E WISE	(i)	NONE	NONE	229,950.	NONE	5,901.	235,851.	229,950.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
CARLOS ZARAGOZA	(i)	210,011.	56,908.	56,148.	94,713.	11,762.	429,542.	56,908.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
STEVEN R. ZATKIN	(i)	516,044.	558,242.	555,302.	533,116.	12,393.	2,175,097.	1,067,290.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-1 (Form 990) 2008

SCHEDULE J-1
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule J (Form 990)

▶ Attach to Form 990 to list additional information
regarding compensation.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

KAISER FOUNDATION HEALTH PLAN, INC

Employer identification number

94-1340523

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (Schedule J, Part II)

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
VICTORIA B. ZATKIN	(i)	174,106.	28,485.	44,310.	42,573.	2,198.	291,672.	48,094.
	(ii)	NONE	NONE	NONE	NONE	NONE	NONE	NONE
	(i)							
	(ii)							
	(i)							
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	(ii)							

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-1 (Form 990) 2008

SCHEDULE J-2
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Form 990

► Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the Organization

KAISER FOUNDATION HEALTH PLAN, INC

Employer Identification number

94-1340523

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
<u>CHRISTINE K. CASSEL, MD</u> DIRECTOR	6.	X						163,750.	NONE	NONE
<u>THOMAS W. CHAPMAN, EDD</u> DIRECTOR	6.	X						139,674.	20,900.	68,750.
<u>DANIEL P. GARCIA</u> SVP, CHIEF COMPLIANCE OFFICER	40.	X		X				1,890,671.	NONE	191,025.
<u>WILLIAM R. GRABER</u> DIRECTOR	6.	X						207,816.	NONE	NONE
<u>J. EUGENE GRIGSBY, III, PH.D.</u> DIRECTOR	6.	X						201,780.	22,400.	NONE
<u>GEORGE C. HALVORSON</u> CHAIRMAN & CEO	40.	X		X				5,825,720.	NONE	59,426.
<u>JUDITH A. JOHANSEN</u> DIRECTOR	6.	X						196,136.	NONE	NONE
<u>KIM J. KAISER</u> DIRECTOR	6.	X						127,000.	NONE	NONE
<u>PHILIP A. MARINEAU</u> DIRECTOR	6.	X						192,816.	NONE	NONE
<u>JENNY J. MING</u> DIRECTOR	6.	X						178,816.	NONE	NONE
<u>EDWARD PEI</u> DIRECTOR	6.	X						170,500.	NONE	15,500.
<u>J. NEAL PURCELL</u> DIRECTOR	6.	X						209,575.	27,626.	NONE
<u>CYNTHIA A. TELLES, PH.D.</u> DIRECTOR	6.	X						196,939.	12,900.	NONE
<u>SANDRA P. THOMPkins</u> DIRECTOR	6.	X						134,187.	NONE	56,675.
<u>GREGORY A. ADAMS</u> REGIONAL PRESIDENT - N CAL	40.			X				822,710.	NONE	161,813.
<u>RAYMOND J. BAXTER</u> SVP, COMMUNITY BENEFIT	40.			X				1,253,935.	NONE	252,627.
<u>BENJAMIN K. CHU</u> REGIONAL PRESIDENT, S CAL	40.			X				919,490.	NONE	184,781.
<u>STEVEN DOSHAY</u> SENIOR COUNSEL	40.			X				220,332.	NONE	45,235.
<u>PHILIP FASANO</u> SVP & CIO	40.			X				973,713.	NONE	200,043.
<u>JERRY C. FLEMING</u> SVP, HEALTH PLAN MANAGER	40.			X				937,251.	NONE	168,750.
<u>JENNIFER GARDNER</u> ASSISTANT SECRETARY	40.			X				97,200.	NONE	27,667.

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008

JSA

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SCHEDULE J-2
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Form 990

► Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the Organization

Employer Identification number

KAISER FOUNDATION HEALTH PLAN, INC

94-1340523

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
<u>SANDRA A. GOLZE</u>										
<u>VP, REGIONAL COUNSEL - N CAL</u>	40.			X				291,120.	NONE	73,801.
<u>MITCHELL J. GOODSTEIN</u>										
<u>SVP, ACTUARIAL, U/W & PRICING</u>	40.			X				726,601.	NONE	152,399.
<u>KATHRYN LANCASTER</u>										
<u>EVP - CHIEF FINANCIAL OFFICER</u>	40.			X				1,195,825.	NONE	222,026.
<u>KEITH A. LEE</u>										
<u>VP, LEGAL SERVICES - HI</u>	40.			X				293,454.	NONE	35,007.
<u>JANET A. LIANG</u>										
<u>REGIONAL PRESIDENT - HI</u>	40.			X				471,635.	NONE	104,800.
<u>LOUISE LIANG</u>										
<u>SVP-QUAL. & CLIN. SYS. SUPPORT</u>	40.			X				1,497,642.	NONE	319,435.
<u>DIANE E. GAGE LOFGREN</u>										
<u>SVP-BRAND MGMT & COMMUNICATION</u>	40.			X				506,482.	NONE	116,609.
<u>CHRISTINE L. MALCOLM</u>										
<u>SVP, HOSP STRATEGY & NAT FACIL</u>	40.			X				584,167.	NONE	302,236.
<u>JUDITH M. MEARS</u>										
<u>VP & ASST GEN COUNSEL</u>	40.			X				411,154.	NONE	135,588.
<u>THOMAS R. MEIER</u>										
<u>SVP & TREASURER</u>	40.			X				529,225.	NONE	82,695.
<u>INDRAJIT OBEYSEKERE</u>										
<u>ASSISTANT SECRETARY</u>	40.			X				247,439.	NONE	43,166.
<u>PAUL B. RECORDS</u>										
<u>SVP, HUMAN RESOURCES</u>	40.			X				590,335.	NONE	141,137.
<u>ARTHUR M. SOUTHAM</u>										
<u>EVP - HEALTH PLAN OPERATIONS</u>	40.			X				1,626,427.	NONE	259,928.
<u>DEBORAH STOKES</u>										
<u>VP, CONTROLLER & CAO</u>	40.			X				606,031.	NONE	115,567.
<u>MARY ANN THODE</u>										
<u>SVP - OFFICE OF IMP</u>	40.			X				1,370,566.	NONE	70,098.
<u>BERNARD J. TYSON</u>										
<u>EVP - HP & HOSPITAL OPERATIONS</u>	40.			X				2,411,186.	NONE	249,542.
<u>HERMAN M. WEIL</u>										
<u>SVP, FEDERAL & STATE PROGRAM</u>	40.			X				604,706.	NONE	199,479.
<u>LARRY WILSON</u>										
<u>SVP, FINANCE</u>	40.			X				942,047.	NONE	24,356.
<u>CARLOS ZARAGOZA</u>										
<u>VP, PRACT LEADER - LABOR & EMP</u>	40.			X				323,067.	NONE	106,475.
<u>STEVEN R. ZATKIN</u>										
<u>SVP, GEN. COUNSEL & SECRETARY</u>	40.			X				1,629,588.	NONE	545,509.
<u>VICTORIA B. ZATKIN</u>										
<u>DIR BOD SVCS & ASST SECRETARY</u>	40.			X				246,901.	NONE	44,771.

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008

JSA

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SCHEDULE J-2
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Form 990

► Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the Organization

KAISER FOUNDATION HEALTH PLAN, INC

Employer Identification number

94-1340523

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
<u>ANNE V CADWELL</u>										
<u>SVP, CFO PLANNING & CONSULTING</u>	40.				X			538,561.	NONE	82,858.
<u>ALBERT L CARVER</u>										
<u>VP, PHARMACY - CA</u>	40.				X			591,735.	NONE	200,139.
<u>GEORGE A DISALVO</u>										
<u>SVP - CFO, S CAL</u>	40.				X			593,406.	NONE	108,375.
<u>DEAN J EDWARDS</u>										
<u>VP, CHIEF PROCUREMENT OFFICER</u>	40.				X			517,532.	NONE	77,927.
<u>MICHAEL J HUACO</u>										
<u>VP, R/E, ENTITLEMENTS & FAC OPS</u>	40.				X			474,960.	NONE	85,986.
<u>DANIEL K MAZANY</u>										
<u>VP, PROJECT OPERATIONS - NFS</u>	40.				X			314,440.	NONE	455,085.
<u>WADE OVERGAARD</u>										
<u>SVP, SALES & MARKETING - CA</u>	40.				X			656,703.	NONE	95,799.
<u>CHRISTINE J PAIGE</u>										
<u>SVP, MARKETING & ADV SERVICES</u>	40.				X			525,334.	NONE	117,497.
<u>JAMES H SIMPSON III</u>										
<u>VP, FINANCE - BU & ROC</u>	40.				X			379,082.	NONE	72,638.
<u>SANDRA SMALL</u>										
<u>SVP, HOSPITAL & AREA OPS</u>	40.				X			636,639.	NONE	211,397.
<u>JOHN M STENSON</u>										
<u>SVP, CHIEF ACTUARY</u>	40.				X			139,495.	NONE	28,264.
<u>JAMES TURNER</u>										
<u>VP, ACTUARIAL SERVICES</u>	40.				X			871,260.	NONE	19,169.
<u>STANLEY B WATSON</u>										
<u>VP, DIR OF KF RESEARCH INST</u>	40.				X			277,485.	NONE	92,547.
<u>DAVID C CATES</u>										
<u>VP, EXEC COMPS / REWARDS</u>	40.					X		824,909.	NONE	290,457.
<u>ALIDE L CHASE</u>										
<u>VP, QUALITY & SAFETY</u>	40.					X		945,991.	NONE	175,941.
<u>RONALD KNOX</u>										
<u>SVP DIVERSITY STRATGY & POLICY</u>	40.					X		658,957.	NONE	250,151.
<u>CHARLES STEPHEN KOCH</u>										
<u>DIR, MEDI-CAL STRATEGY - NCAL</u>	40.					X		650,498.	NONE	53,990.
<u>CHARLES N SABATINO</u>										
<u>VP, CLAIMS OPERATIONS</u>	40.					X		609,354.	NONE	78,908.
<u>ROBERT M. CRANE</u>										
<u>SVP & DIR- INST FOR HEALTH POL</u>							X	845,543.	NONE	28,556.
<u>CLIFFORD J. DODD</u>										
<u>SVP, SYSTEMS & ADMIN</u>							X	957,231.	NONE	12,790.
<u>JANICE L. HEAD</u>										
<u>REGION PRESIDENT - HAWAII</u>							X	305,584.	NONE	8,527.

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008

JSA

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Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

2008

**Open to Public
Inspection**

Employer Identification number

94-1340523

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ.
▶ To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, lines 38b or 40b.

2008

Open To Public Inspection

94-1340523

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a or 25b, or Form 990-EZ, Part V, line 40b.

[illegible]

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization **\$**

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
SEE STATEMENT 8										
Total				\$ 2,479,868.						

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

[illegible]

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
MARK MALCOLM	EMPLOYEE	91,275.	COMPENSATION		X

Schedule L (Form 990 or 990-EZ) 2008

Name of the organization

Employer identification number

KAISER FOUNDATION HEALTH PLAN, INC

94-1340523

FORM 990 REVIEW PROCESS

PART VI, SECTION A, LINE 10

1. KEY INFORMATION NECESSARY FOR THE PREPARATION OF THE TAX RETURN IS

OBTAINED AND/OR CONFIRMED WITH INTERNAL SOURCES INCLUDING REGIONAL

FINANCE, EXECUTIVE COMPENSATION, COMMUNITY BENEFITS, TREASURY, GOVERNMENT

RELATIONS, AND LEGAL

2. COMMUNITY BENEFITS DETAILS ARE PRESENTED TO THE COMMUNITY BENEFIT

COMMITTEE OF THE BOARD FOR REVIEW

3. EXECUTIVE COMPENSATION DETAILS ARE PRESENTED TO THE COMPENSATION

COMMITTEE OF THE BOARD FOR REVIEW

4. THE COMPLETE TAX RETURN IS REVIEWED AND SIGNED BY A KPMG TAX ADVISOR

5. THE COMPLETE TAX RETURN IS REVIEWED AND SIGNED BY THE VP, CONTROLLER

AND CHIEF ACCOUNTING OFFICER

6. THE TAX RETURN IS DISCUSSED WITH THE FULL BOARD OF DIRECTORS. A COPY

OF THE RETURN IS PROVIDED TO EACH BOARD MEMBER IN ELECTRONIC FORMAT PRIOR

TO FILING

Name of the organization

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KAISER FOUNDATION HEALTH PLAN, INC

94-1340523

COMPLIANCE ENFORCEMENT

PART VI, SECTION B, LINE 12C

REGULARLY AND CONSISTENTLY MONITORS COMPLIANCE WITH THE CONFLICTS OF

INTEREST POLICY

KAISER PERMANENTE REGULARLY MONITORS COMPLIANCE WITH THE CONFLICTS OF

INTEREST POLICY IN 3 KEY WAYS:

1. THE KAISER PERMANENTE COMPLIANCE HOTLINE IS AVAILABLE TO ALL EMPLOYEES

AND VENDORS TO REPORT ACTUAL OR POTENTIAL CONFLICTS OF INTEREST. ALL

CALLS ARE ANSWERED BY A THIRD PARTY AND PROVIDED TO KAISER PERMANENTE'S

NATIONAL COMPLIANCE OFFICE FOR REVIEW AND APPROPRIATE ACTION. EMPLOYEES

CAN REPORT ANONYMOUSLY AND WITHOUT FEAR OF RETALIATION. REPORTS OF ACTUAL

OR POTENTIAL CONFLICTS OF INTEREST ARE GENERATED AND INVESTIGATIONS ARE

CONDUCTED AS REQUIRED AND INFORMATION IS TRACKED AND TRENDED TO DETERMINE

IF ADDITIONAL GUIDANCE IS REQUIRED TO AVOID CONFLICTS OF INTEREST.

COMPLIANCE HOTLINE REPORTS ARE PROVIDED FOR REVIEW AND ACTION TO THE

KAISER FOUNDATION HEALTH PLAN/ HOSPITALS BOARDS OF DIRECTORS ANNUALLY.

2. THE SENIOR VICE PRESIDENT & CHIEF COMPLIANCE OFFICER AND THE VICE

PRESIDENT OF INTERNAL AUDIT SERVICES ANNUALLY REVIEW THE DIRECTORS',

OFFICERS', KEY EMPLOYEES', AND EXECUTIVES' ANNUAL CONFLICTS OF INTEREST

QUESTIONNAIRE DISCLOSURES AND PROVIDE DIRECTION ON ANY INVESTIGATIONS

REQUIRED. INVESTIGATIONS ARE DOCUMENTED, TRACKED AND TRENDED TO DETERMINE

IF ADDITIONAL CONTROLS OR EDUCATION IS REQUIRED; IN ADDITION, CONFLICTS

OF INTEREST QUESTIONNAIRE REPORTS ARE PROVIDED FOR REVIEW AND ACTION TO

THE KAISER FOUNDATION HEALTH PLAN/ HOSPITALS BOARDS OF DIRECTORS

Name of the organization

Employer identification number

KAISER FOUNDATION HEALTH PLAN, INC**94-1340523**ANNUALLY; AND

3. ANNUALLY, AS A COMPONENT OF THE EXTERNAL AUDIT, KPMG REVIEWS THE
ANNUAL CONFLICTS OF INTEREST QUESTIONNAIRES COMPLETED BY DIRECTORS,
OFFICERS, KEY EMPLOYEES, AND EXECUTIVES, AND ACTIONS TAKEN AS A RESULT OF
THE DISCLOSURES. THE RESULTS OF THE ANNUAL AUDIT, INCLUDING ANY FINDINGS
IN THIS AREA ARE PRESENTED TO THE KAISER FOUNDATION HEALTH PLAN/
HOSPITALS AUDIT AND COMPLIANCE COMMITTEE.

REGULARLY AND CONSISTENTLY ENFORCES COMPLIANCE WITH THE CONFLICTS OF
INTEREST POLICY

TO ENSURE CONSISTENCY IN THE ENFORCEMENT OF THE POLICY KAISER PERMANENTE
USES THE FOLLOWING STEPS AS A GENERAL GUIDELINE:

A. REPRESENTED EMPLOYEES ARE SUBJECT TO ANY CORRECTIVE/DISCIPLINARY
ACTION PROVISIONS DESCRIBED IN SPECIFIC REGIONAL/NATIONAL COLLECTIVE
BARGAINING AGREEMENTS AND/OR ORGANIZATIONAL POLICIES AND PRACTICES.

B. KAISER PERMANENTE NOTIFIES EMPLOYEES OF THE NATIONAL HUMAN RESOURCES
POLICY NO. 14. CORRECTIVE/DISCIPLINARY ACTION POLICY DURING NEW
EMPLOYEE ORIENTATION AND IN ANNUAL COMPLIANCE TRAINING.

C. IN THE EVENT THAT IT IS NECESSARY TO DISCIPLINE ANY EMPLOYEE BECAUSE
OF, BUT NOT LIMITED TO, FAILURE TO COMPLY WITH APPLICABLE
LEGAL/REGULATORY REQUIREMENTS, KAISER PERMANENTE POLICIES AND PROCEDURES,
OR THE PRINCIPLES OF RESPONSIBILITY, OR FOR UNSATISFACTORY PERFORMANCE OR

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MISCONDUCT, COACHING/COUNSELING AND/OR CORRECTIVE/DISCIPLINARY ACTION MAY

INCLUDE, BUT IS NOT LIMITED TO:

- ORAL DISCUSSION AND/OR WARNING BY THE EMPLOYEE'S IMMEDIATE

SUPERVISOR OR HIGHER LEVEL MANAGER TO CORRECT THE PROBLEM

- WRITTEN NOTICE, WITH OR WITHOUT FINAL WARNING

- PAID OR UNPAID SUSPENSION, WITH OR WITHOUT FINAL WARNING

- TERMINATION OF EMPLOYMENT

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KAISER FOUNDATION HEALTH PLAN, INC

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COMPENSATION DETERMINATION

PART VI, SECTION B, LINE 15

THE EXECUTIVE COMPENSATION PROGRAM IS DESIGNED TO RECRUIT, RETAIN AND
MOTIVATE QUALIFIED SENIOR MANAGEMENT PERSONNEL. SENIOR MANAGEMENT
PERSONNEL HAVE A SIGNIFICANT IMPACT ON THE STRATEGIC AND POLICY DIRECTION
AND RESULTS OF THE ORGANIZATION. THEREFORE, THE EXECUTIVE COMPENSATION
PROGRAM IS, TO A SIGNIFICANT DEGREE, PERFORMANCE-BASED. THE COMPENSATION
PROGRAM IS REVIEWED ANNUALLY BY THE COMPENSATION COMMITTEE OF THE BOARD
OF DIRECTORS WHICH EVALUATES AND APPROVES PRIOR TO PAYMENT ALL PROGRAMS
AND PAYMENTS TO CEO, EXECUTIVE DIRECTOR AND TOP MANAGEMENT OFFICIALS
(EXECUTIVES).

BASE PAY FOR EXECUTIVE POSITIONS IS ESTABLISHED AT A LEVEL COMPARABLE TO
THE RELEVANT MARKET. IN ADDITION, OTHER COMPONENTS OF THE COMPENSATION
PROGRAM BEAR 'AT-RISK' FEATURES DESIGNED TO FOCUS ON STRATEGICALLY
IMPORTANT PERFORMANCE GOALS AND TO ASSIST IN ATTRACTING AND RETAINING TOP
PERFORMERS. THE EXECUTIVE COMPENSATION PROGRAM IS TARGETED AT THE MEDIAN
OF THE COMPARABLE EXTERNAL MARKET IN WHICH THE ORGANIZATION COMPETES FOR
EXECUTIVE LEADERSHIP. EVALUATION OF COMPARABLE PAY DATA IS PERFORMED BY
AN INDEPENDENT COMPENSATION, BENEFIT & HUMAN RESOURCE CONSULTING FIRM.
THE COMPENSATION PROGRAM FOCUSES ON OBJECTIVES IN THE AREAS OF QUALITY OF
MEMBER CARE AND SERVICE, FINANCIAL SOUNDNESS, AND THE COMMUNITY AND
SOCIAL MISSION OF THE ORGANIZATION.

Name of the organization

Employer identification number

KAISER FOUNDATION HEALTH PLAN, INC**94-1340523****PUBLIC INSPECTION****PART VI, SECTION C, LINE 19****GOVERNING DOCUMENTS - ARE AVAILABLE AS PROVIDED TO THE STATE REGULATORY****AGENCY AND MAINTAINED ON STATE AGENCY WEBSITE OR UPON REQUEST.****CONFLICT OF INTEREST IS AVAILABLE ON KP WEBSITE UNDER VENDOR PRINCIPLES****OF RESPONSIBILITY OR UPON REQUEST.****FINANCIAL STATEMENTS ARE ON FILE WITH THE STATE REGULATORY AGENCY.****COMBINED DATA IS PUBLISHED FOR KAISER FOUNDATION HEALTH PLAN INC. AND****SUBSIDIARIES AND KAISER FOUNDATION HOSPITALS AND SUBSIDIARIES WITH AUDIT****OPINION BY KPMG.****TO REQUEST COPIES CONTACT:****TAX DIRECTOR****KAISER FOUNDATION HEALTH PLAN AND HOSPITALS****ONE KAISER PLAZA, STE 15L****OAKLAND, CA 94612**

Name of the organization

Employer identification number

KAISER FOUNDATION HEALTH PLAN, INC**94-1340523****FAMILY AFFILIATIONS****PART VI, SECTION A, LINE 2****NAME: STEVEN R ZATKIN****FAMILY MEMBER AFFILIATION:****SPOUSE: OFFICER OF KFHP INC., KFHP AND SUBSIDIARIES****NAME: VICTORIA ZATKIN****FAMILY MEMBER AFFILIATION:****SPOUSE: SENIOR VP, GENERAL COUNSEL AND OFFICER OF KFHP, KFHP INC. AND****REGIONAL HEALTH PLANS****NAME: GEORGE DISALVO****FAMILY MEMBER AFFILIATION:****DOMESTIC PARTNER, PHYSICIAN SOUTHERN CALIFORNIA MEDICAL GROUP****NAME: PHILIP FASANO****FAMILY MEMBER AFFILIATION:****CHILD, SUMMER INTERN, FINANCE**

Name of the organization

KAISER FOUNDATION HEALTH PLAN, INC

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EXEMPT PURPOSE ACHIEVEMENTS

PART III, LINE 4A-D

2008 COMMUNITY BENEFIT REPORT

KAISER FOUNDATION HEALTH PLAN, INC.

THE COMMUNITY BENEFIT PROGRAMS IN CALIFORNIA AND HAWAII

IN 2008, KAISER PERMANENTE SPENT APPROXIMATELY \$1.2 BILLION OR

APPROXIMATELY 2.94% OF REVENUE TO SUPPORT THE COMMUNITY BENEFIT PROGRAM.

IN CALIFORNIA AND HAWAII, KFHP SPENT APPROXIMATELY \$499 MILLION. A

BREAKDOWN OF THE 2008 COMMUNITY BENEFIT DOLLARS ATTRIBUTABLE TO KFHP IN

CALIFORNIA AND HAWAII IS PROVIDED AT THE END OF THE CB REPORT.

THE FOLLOWING IDENTIFIES MANY OF THE SIGNATURE COMMUNITY BENEFIT PROGRAMS

AND SERVICES, GROUPED ACCORDING TO THE NATIONAL STREAMS OF WORK.

CARE AND COVERAGE FOR LOW-INCOME PEOPLE

THERE ARE ROUGHLY 46 MILLION AMERICANS WITHOUT ACCESS TO HEALTH CARE OR

COVERAGE. UNINSURED, LOW-INCOME INDIVIDUALS AND FAMILIES WHO ARE NOT

ELIGIBLE FOR PUBLIC PROGRAMS OFTEN HAVE TO RELY ON TRADITIONAL CHARITY

CARE. FREQUENTLY, INDIVIDUALS IN THIS SITUATION MAY WAIT TO SEEK MEDICAL

CARE UNTIL THEIR CONDITIONS BECOME CRITICAL, AND END UP IN HOSPITAL

EMERGENCY ROOMS FOR TREATMENT OF CONDITIONS THAT ARE PREVENTABLE OR

EASILY TREATED IN EARLIER STAGES. IN 2008, KFHP EXPENDED APPROXIMATELY

\$491 MILLION TO ADDRESS THE FINANCING AND DELIVERY OF HEALTH CARE FOR

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KAISER FOUNDATION HEALTH PLAN, INC

94-1340523

POPULATIONS VULNERABLE DUE TO SOCIO-ECONOMIC STATUS, ILLNESS, ETHNICITY,
AGE, OR OTHER FACTORS. PROGRAM BENEFICIARIES (UNDER AND UNINSURED)
RECEIVED FREE OR DISCOUNTED CARE IN A KAISER PERMANENTE FACILITY OR BY A
PERMANENTE PROVIDER.

FOLLOWING ARE HIGHLIGHTS OF THE PROGRAMS AND SERVICES PROVIDED TO
VULNERABLE POPULATIONS IN CALIFORNIA AND HAWAII.

CHARITABLE CARE (MEDICAL FINANCIAL ASSISTANCE AND CHARITABLE HEALTH
COVERAGE)

KFHP PROVIDES CHARITY CARE TO LOW-INCOME VULNERABLE POPULATIONS THROUGH
THE MEDICAL FINANCIAL ASSISTANCE AND CHARITABLE HEALTH COVERAGE PROGRAMS.

IN 2008, KFHP CARED FOR NEARLY 22,000 CHARITY CARE APPLICANTS AND MORE
THAN 86,000 CHARITABLE COVERAGE MEMBERS. KFHP CONTRIBUTED \$125 MILLION
TO HELP THESE PATIENTS PAY FOR CARE PROVIDED IN KAISER PERMANENTE
FACILITIES IN CALIFORNIA AND HAWAII.

MEDICAL FINANCIAL ASSISTANCE (MFA)

EACH HOSPITAL-BASED REGION OFFERS FINANCIAL ASSISTANCE TO HELP FAMILIES
AND INDIVIDUALS WHO ARE UNABLE TO MEET ALL OR PART OF THE COST OF MEDICAL
CARE ON AN IMMEDIATE AND NONRECURRING BASIS. KAISER PERMANENTE EXPANDED
ITS CHARITY CARE PROGRAM TO INCLUDE DISCOUNTED CHARGES FOR UNINSURED
PATIENTS BELOW 400% OF THE FEDERAL POVERTY GUIDELINES AND ALIGNED
CONTRACTED COLLECTION AGENCY PRACTICES WITH KAISER PERMANENTE SOCIAL
VALUES. THE ORGANIZATION'S COMMITMENT TO CHARITABLE CARE IS ALSO
REFLECTED IN A VARIETY OF OTHER PROGRAMS AND INITIATIVES SUCH AS THE
CHARITABLE COVERAGE PROGRAM, AND GRANTS AND DONATIONS TO COMMUNITY

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CLINICS AND OTHER SAFETY NET PROVIDERS.

THE MFA PROGRAM IN CALIFORNIA STRIVES TO ASSIST FAMILIES AND INDIVIDUALS WHO ARE UNABLE TO MEET ALL OR PART OF THE COST OF MEDICAL CARE ON AN IMMEDIATE AND NONRECURRING BASIS. THE PROGRAM IS DESIGNED TO ASSIST AS MANY PATIENTS AS REASONABLY POSSIBLE AND IS GENERALLY AVAILABLE TO PEOPLE IN GREATEST FINANCIAL NEED, INCLUDING THOSE EXPERIENCING UNUSUAL OR UNFORTUNATE CIRCUMSTANCES. IN CALIFORNIA, THE MFA PROGRAM'S ELIGIBILITY CRITERIA ALLOWS PATIENTS, BELOW 350% OF THE FEDERAL POVERTY GUIDELINES (FPG), TO RECEIVE FULL WRITE OFF, UNINSURED PATIENTS WHO DO NOT QUALIFY FOR MFA BUT MAKE LESS THE 400% FPG WILL RECEIVE UP TO A 70% DISCOUNT ON CHARGES AND ANY PATIENT EXPERIENCING FINANCIAL HARDSHIP DUE TO UNREASONABLE MEDICAL EXPENSES RELATIVE TO THEIR INCOME MAY QUALIFY FOR THE PROGRAM UNDER "SPECIAL CIRCUMSTANCES". IN 2008, THE PROGRAM SERVED 21,615 APPLICANTS.

IN HAWAII, THE MFA PROGRAM HELPS PEOPLE WITH VERY LIMITED OR NO FINANCIAL RESOURCES TO OBTAIN MEDICALLY NECESSARY CARE. THE PROGRAM IS OPEN TO MEMBERS AND NONMEMBERS WHO CAN NOT PAY FOR ALL OR PART OF THE COST OF HEALTH CARE SERVICES AND SUPPLIES. INDIVIDUALS APPLYING FOR THE PROGRAM HAVE TO EXHAUST ANY PRIVATE OR PUBLIC SOURCES OF SUPPORT AND MUST MEET THE FINANCIAL ELIGIBILITY CRITERIA. IN 2008, THE MFA PROGRAM IN HAWAII SERVED 300 PATIENTS.

CHARITABLE HEALTH COVERAGE PROGRAM

CHARITABLE HEALTH COVERAGE (CHC) IS A UNIQUE APPROACH TO CARING FOR LOW-INCOME UNINSURED PEOPLE IN THE COMMUNITY. PARTICIPANTS RECEIVE A

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REGULAR KAISER PERMANENTE MEMBERSHIP CARD AND ACCESS TO THE FULL RANGE OF
OUR SERVICES AND PROVIDERS-A MUCH BETTER ALTERNATIVE TO BRIEF AND COSTLY
EMERGENCY ROOM VISITS OR HOSPITALIZATION. THIS ALLOWS US TO INVEST IN THE
LONGER TERM HEALTH OF PATIENTS AND THE COMMUNITY.

SINCE THE EARLY 1980S, CHC PROGRAMS HAVE MADE A REAL DIFFERENCE IN THE
LIVES OF LOW INCOME PEOPLE WHO WERE NOT ELIGIBLE FOR OTHER PUBLIC OR
PRIVATELY SPONSORED COVERAGE. IN 2008, APPROXIMATELY 86,155 LOW-INCOME
ADULTS AND CHILDREN RECEIVED HEALTH CARE COVERAGE THROUGH KAISER
PERMANENTE'S CHARITABLE HEALTH COVERAGE PROGRAMS IN CALIFORNIA AND
HAWAII. KFHP CONTRIBUTED \$116 MILLION TO PROVIDE SUBSIDIZED CARE FOR
THESE UNDERSERVED POPULATIONS IN 2008.

THE STEPS PLAN AND KAISER PERMANENTE CHILD HEALTH PLAN ARE THE SPECIFIC
PRODUCTS THAT FORM THE CHARITABLE HEALTH COVERAGE PROGRAM IN CALIFORNIA.

KAISER PERMANENTE STEPS PLAN - THE STEPS PLAN PROVIDED 20,436 MEMBERS THE
OPPORTUNITY TO CONTINUE THEIR HEALTH CARE COVERAGE AT REDUCED COST WHEN
EXPERIENCING FINANCIAL DIFFICULTY DUE TO JOB LOSS, INVOLUNTARY REDUCTION
IN WORK HOURS, LEGAL SEPARATION, DIVORCE, OR DEATH OF A SPOUSE.

TYPICALLY, PARTICIPANTS ARE NOT ELIGIBLE FOR ANY PUBLIC OR PRIVATE GROUP
HEALTH INSURANCE PLAN, AND HAVE FAMILY INCOME BETWEEN 100% AND 300% OF
THE FEDERAL INCOME GUIDELINES. THE PLAN IS AVAILABLE TO PARENTS OF
CHILDREN ENROLLED IN AIM, HEALTHY FAMILIES, OR KAISER PERMANENTE CHILD
HEALTH PLAN AS WELL AS TO INDIVIDUALS PARTICIPATING IN VOCATIONAL
TRAINING PROGRAMS OFFERED THROUGH GOVERNMENT, PRIVATE INDUSTRY COUNCILS,
AND SOCIAL AGENCIES. THE STEPS PLAN PREMIUM IS SUBSIDIZED AT FOUR LEVELS

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OR STEPS: 20%, 40%, 60%, AND 80%. PARTICIPANTS ARE PLACED IN AN INITIAL PREMIUM STEP BASED ON THEIR CURRENT FAMILY INCOME. THEY REMAIN AT THE INITIAL STEP FOR ONE YEAR AND ARE THEN MOVED TO THE NEXT HIGHER STEP.

KAISER PERMANENTE CHILD HEALTH PLAN (KPCHP) - THE CHILD HEALTH PLAN PROVIDES MEDICAL AND DENTAL COVERAGE TO ELIGIBLE CHILDREN (BIRTH THROUGH 18) IN FAMILIES WITH INCOME UP TO 300% OF THE FEDERAL POVERTY GUIDELINES WHO DO NOT HAVE ACCESS TO EMPLOYER-SUBSIDIZED COVERAGE AND DO NOT QUALIFY FOR PUBLIC PROGRAMS BECAUSE OF FAMILY INCOME OR IMMIGRATION STATUS. CHILD HEALTH PLAN PROVIDES COMPREHENSIVE BENEFITS INCLUDING PREVENTIVE CARE, INPATIENT AND OUTPATIENT SERVICES, PRESCRIPTION DRUGS, AND VISION AND DENTAL CARE. PREMIUMS ARE \$8 OR \$15 PER CHILD PER MONTH, DEPENDING ON FAMILY INCOME, FOR A MAXIMUM OF THREE CHILDREN (ADDITIONAL CHILDREN ARE COVERED FREE OF CHARGE). IN 2008, APPROXIMATELY 65,719 CHILDREN RECEIVED CARE AND COVERAGE THROUGH THIS PROGRAM.

PARTICIPATION IN MEDICAID AND OTHER GOVERNMENT-SPONSORED PROGRAMS KFHP HAS A LONG HISTORY OF PARTICIPATING IN PUBLICLY FINANCED HEALTH PROGRAMS. IN 2008, \$362 MILLION WAS EXPENDED (IN EXCESS OF REIMBURSEMENT) AND APPROXIMATELY 345,169 PEOPLE WERE SERVED IN GOVERNMENT-SPONSORED PROGRAMS FOR LOW-INCOME PEOPLE IN CALIFORNIA AND HAWAII.

KAISER PERMANENTE MEDI-CAL MANAGED CARE, MEDI-CAL FEE-FOR-SERVICE, AND HEALTHY FAMILIES ARE SPECIFIC GOVERNMENT-SPONSORED HEALTH CARE COVERAGE PROGRAMS IN CALIFORNIA.

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MEDI-CAL - KFHP ENROLLED 137,116 MEDI-CAL (MEDICAID) MANAGED CARE MEMBERS IN CALIFORNIA. KFHP SUBCONTRACTS WITH LOCAL INITIATIVES IN ALAMEDA, CONTRA COSTA, LOS ANGELES, RIVERSIDE, SAN BERNARDINO, SAN FRANCISCO, AND SANTA CLARA COUNTIES, WITH COUNTY-ORGANIZED HEALTH SYSTEMS IN NAPA, SOLANO, AND ORANGE COUNTIES. KFHP ALSO CONTRACTS DIRECTLY WITH THE STATE OF CALIFORNIA THROUGH THE GEOGRAPHIC MANAGED CARE PLAN FOR SACRAMENTO AND SAN DIEGO COUNTIES, AND THROUGH THE PREPAID HEALTH PLAN FOR MARIN AND SONOMA COUNTIES.

MEDI-CAL FEE-FOR-SERVICE - KFHP IN CALIFORNIA PROVIDED \$21.5 MILLION IN SUBSIDIZED CARE TO 49,654 MEDI-CAL FEE-FOR-SERVICE PATIENTS.

HEALTHY FAMILIES - KFHP ENROLLED MORE THAN 130,000 CHILDREN IN THIS FEDERAL-AND STATE-FUNDED INSURANCE PROGRAM THAT PROVIDES LOW- AND MODERATE-INCOME FAMILIES WITH HEALTH INSURANCE FOR THEIR CHILDREN UNDER 19 YEARS OF AGE. THE PROGRAM PROVIDES COMPREHENSIVE HEALTH BENEFITS, INCLUDING DENTAL AND VISION CARE. TO QUALIFY, FAMILIES MUST HAVE A TOTAL INCOME BETWEEN 100% AND 250% OF THE FEDERAL INCOME GUIDELINES AND THE CHILDREN MUST BE INELIGIBLE FOR MEDI-CAL COVERAGE.

IN HAWAII, KFHP SERVED BOTH MEDICAID MEMBERS AND MEDICAID FEE-FOR-SERVICE BENEFICIARIES AND PARTICIPATED IN THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM.

QUEST AND MEDICAID FEE-FOR-SERVICE - QUEST IS A MEDICAID MANAGED CARE PROGRAM RUN BY HAWAII'S DEPARTMENT OF HUMAN SERVICES. THE STATE ADMINISTERS THE QUEST PROGRAM AND PAYS HEALTH PLAN TO PROVIDE COVERAGE OF

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MEDICAL AND MENTAL HEALTH SERVICES. KFHP PARTICIPATES IN THE QUEST
PROGRAMS ON THE ISLANDS OF OAHU AND MAUI. KFHP PROVIDED CARE TO 17,517
INDIVIDUALS ENROLLED IN QUEST.

SCHIP - THIS GOVERNMENT PROGRAM PROVIDES CHILDREN WITH FAMILY INCOME UP
TO TWICE THE FEDERAL POVERTY GUIDELINE FOR HAWAII, HEALTH CARE COVERAGE
UNDER TITLE XXI OF THE SOCIAL SECURITY ACT. SCHIP IS ONE OF SEVERAL AID
CATEGORIES UNDER THE QUEST PROGRAM. MORE THAN 3,000 CHILDREN ENROLLED IN
THIS PROGRAM WERE CARED FOR BY KFHP IN HAWAII.

COMMUNITY HEALTH INITIATIVES

AS AN INNOVATOR IN HEALTH, KAISER PERMANENTE DESIGNS, DELIVERS, AND
SUSTAINS LONG-TERM PROGRAMS THAT ENGAGE COMMUNITIES IN WORK TO IMPROVE
CONDITIONS IN THEIR NEIGHBORHOODS, WORKPLACES, AND SCHOOLS TO SUPPORT
GOOD HEALTH, PARTICULARLY HEALTHY EATING, ACTIVE LIVING (HEAL). KFHP
EXPENDED APPROXIMATELY \$1 MILLION ON COMMUNITY HEALTH INITIATIVES DURING
2008.

HEALTHY EATING ACTIVE LIVING PROGRAMS

IN CALIFORNIA, THE HEAL PROGRAM COMBATS OBESITY BY PROMOTING PLACE-BASED
HEALTHY EATING AND ACTIVE LIVING PROGRAMS AND INTERVENTIONS IN THE
COMMUNITY. THE PROGRAM SUPPORTS COMMUNITY HEALTH INITIATIVES AND
COALITIONS THAT BRING COMMUNITY-LEVEL MEDICAL, ENVIRONMENTAL, AND SOCIAL
CHANGES SUCH AS EMPOWERING COMMUNITY RESIDENTS TO EAT HEALTHY FOODS,
CHANGING PHYSICAL AND SOCIAL ENVIRONMENTS TO PROMOTE PHYSICAL ACTIVITY,
AND SUPPORTING POLICY CHANGES TO REDUCE RACIAL AND ETHNIC HEALTH

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DISPARITIES, PARTICULARLY THOSE RELATED TO POOR NUTRITION AND INACTIVITY.

GRANTS AND DONATIONS FOR COMMUNITY HEALTH INITIATIVES

KFHP CONTRIBUTED APPROXIMATELY \$259 THOUSAND TO SUPPORT COMMUNITY HEALTH INITIATIVES ACROSS THE PROGRAM AND TO PROVIDE A WIDE RANGE OF HEALTH EDUCATION PROGRAMS AND SERVICES.

- THE AMERICAN HEART ASSOCIATION RECEIVED A NUMBER OF GRANTS TOTALING MORE THAN \$93 THOUSAND TO SUPPORT FUNDRAISING EVENTS FOR STROKE SURVIVORS, THEIR CAREGIVERS AND HEART DISEASE.

- HEALTH ACTION IN SONOMA COUNTY RECEIVED A \$50 THOUSAND GRANT FROM KFHP TO SUPPORT THE IDENTIFICATION OF PRIORITY HEALTH AND HEALTH CARE ISSUES IN THE COUNTY AND TO DEVELOP SPECIFIC RECOMMENDATIONS ON LOCAL APPROACHES TO PROMOTE THE HEALTH OF THE COMMUNITY AND IMPROVE THE HEALTH CARE DELIVERY SYSTEM.

- DRUG ABUSE ALTERNATIVE CENTER RECEIVED A \$25 THOUSAND GRANT TO SUPPORT THE "TURNING POINT" PROGRAM WHICH PROVIDES 365 BED DAYS OF ALCOHOL AND OTHER DRUG TREATMENT TO LOW INCOME/HOMELESS INDIVIDUALS WHO WOULD OTHERWISE GO UNTREATED.

SAFETY NET PARTNERSHIPS

THROUGH FUNDING, TECHNICAL ASSISTANCE, PUBLIC POLICY ADVOCACY, TRAINING AND VOLUNTEERING, DISSEMINATION OF CARE-MANAGEMENT AND QUALITY IMPROVEMENT TECHNOLOGIES, KAISER PERMANENTE HELPS THESE VITAL HEALTH CARE PROVIDERS IMPROVE CARE AND EXPAND TREATMENT CAPACITY FOR THE COMMUNITIES AND VULNERABLE PEOPLE THEY SERVE. IN 2008, KFHP EXPENDED \$500 THOUSAND.

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FOR DECADES, KFHP IN CALIFORNIA SUPPORTED SAFETY NET PROVIDERS THROUGH GRANT FUNDING, STAFF INVOLVEMENT, AND IN-KIND CONTRIBUTIONS. BECAUSE OF THIS SUPPORT AND COMMITMENT TO COMMUNITY PROVIDERS, A FORMALIZED PARTNERSHIP AGREEMENT WAS SIGNED BY KAISER PERMANENTE LEADERS AND REGIONAL AND STATEWIDE COMMUNITY CLINIC ASSOCIATION REPRESENTATIVES IN 2003. THE AGREEMENT COVERED MORE THAN 600 NONPROFIT COMMUNITY-BASED CLINICS AND HEALTH CENTERS THROUGHOUT THE STATE. THE PARTNERSHIP FOCUSES ON IMPROVING THE QUALITY OF HEALTH CARE FOR CALIFORNIA RESIDENTS AND ON REDUCING HEALTH DISPARITIES BASED ON RACE, ETHNICITY, AND ECONOMIC STATUS.

DEVELOPING AND DISSEMINATING KNOWLEDGE

KAISER PERMANENTE IMPROVES HEALTH CARE BY SHARING ITS KNOWLEDGE, EDUCATING PRACTITIONERS, ADVANCING RESEARCH, EMPOWERING CONSUMERS, AND INFORMING POLICYMAKERS ABOUT THE EVIDENCE BASE FOR MEDICAL CARE AND HEALTH. KFHP SPENT MORE THAN \$3 MILLION TO SUPPORT PROGRAMS AND SERVICES FOR THE DEVELOPMENT AND DISSEMINATION OF KNOWLEDGE AND PROVIDED GRANTS AND DONATIONS TO A VARIETY OF NONPROFIT ORGANIZATIONS.

EDUCATIONAL THEATRE PROGRAMS (ETP)

FOR 20 YEARS, EDUCATIONAL THEATRE PROGRAMS HAS USED LIVE THEATRE, MUSIC, COMEDY, AND DRAMA TO INSPIRE CHILDREN, TEENS, AND ADULTS TO MAKE HEALTHIER CHOICES AND BETTER DECISIONS ABOUT THEIR WELL-BEING. THESE EDUCATIONAL PROGRAMS WERE DEVELOPED WITH THE ADVICE OF TEACHERS, PARENTS, STUDENTS, HEALTH EDUCATORS, MEDICAL PROFESSIONALS, AND PROFESSIONAL

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THEATRE ARTISTS. ALL PERFORMANCES ARE DELIVERED BY PROFESSIONAL ACTORS WHO ARE ALSO TRAINED AS PEER HEALTH EDUCATORS, AND PERFORMED FREE OF CHARGE FOR THE COMMUNITY. ETP ALSO PROVIDES SCHOOLS AND ORGANIZATIONS WITH SUPPLEMENTARY EDUCATIONAL MATERIALS, SUCH AS WORKBOOKS, PARENT AND TEACHER GUIDES, AND STUDENT WALLET CARDS TO REINFORCE THE MESSAGES PRESENTED ON STAGE.

KFHP IN CALIFORNIA PROVIDED MORE THAN 507,000 CHILDREN AND ADULTS THE OPPORTUNITY TO VIEW ONE OF ETP'S 1,549 PERFORMANCES DURING 2008. THE CURRENT REPERTOIRE INCLUDES:

- THE BEST ME - A PROGRAM FOR GRADES 3-6 THAT HELPS STUDENTS UNDERSTAND THE BENEFITS OF MAKING HEALTHIER LIFE CHOICES.
- ZIP'S GREAT DAY - A MUSICAL COMEDY FOR ELEMENTARY SCHOOL CHILDREN ABOUT MAKING HEALTHY CHOICES AND AVOIDING CONFLICT.
- P.E.A.C.E. SIGNS - A CONFLICT RESOLUTION AND ANTI-VIOLENCE PROGRAM FOR UPPER-ELEMENTARY SCHOOL STUDENTS.
- DRUMMIN' UP PEACE - A MULTI-INTERVENTION PROGRAM THAT PROMOTES CONFLICT ISOLATION TO HELP STUDENTS INCREASE PEACE.
- SOMEONE LIKE ME - A PRODUCTION THAT USES DRAMA, MUSIC, AND HUMOR TO ADDRESS ADOLESCENT ISSUES.
- AMAZING FOOD DETECTIVE - A BILINGUAL (ENGLISH/SPANISH) PROGRAM FOR ELEMENTARY SCHOOL KIDS ABOUT MAKING INFORMED FOOD CHOICES AND SNACKING IN MODERATION TO AVOID OBESITY AND ITS HEALTH PROBLEMS.
- ARRR-STHMA! - AN ENTERTAINING PRODUCTION THAT FOCUSES ON DEALING WITH CHILDHOOD ASTHMA.
- NIGHTMARE ON PUBERTY STREET - A DRAMATIC PRESENTATION ABOUT THE JOYS

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AND ANGST OF ADOLESCENCE.

- SECRETS - AN EDUCATIONAL DRAMA ABOUT HIV/AIDS FOR HIGH SCHOOL STUDENTS.

- THE SWASHBUCKLING ADVENTURES OF JAIME IN THE WORLD OF RED, THE READING PIRATE - A PRODUCTION THAT PROMOTES THE IMPORTANCE OF LITERACY TO STUDENTS.

PUBLIC POLICY

KFHP RECOGNIZES THAT PUBLIC POLICY INFLUENCES THE ENVIRONMENT IN WHICH WE OPERATE AND IMPACTS THE COMMUNITIES WE SERVE. IN 2008, KFHP CONTRIBUTED \$2 MILLION TO ADVANCE PUBLIC POLICY THAT IS BENEFICIAL TO THE COMMUNITY.

THE KFHP PUBLIC POLICY STRATEGY INCLUDES BUILDING PUBLIC/PRIVATE PARTNERSHIPS TO ADVANCE POPULATION HEALTH; SUPPORTING LEGISLATION THAT ADVANCES EXPANDED ACCESS, HEALTH PROMOTION AND DISEASE PREVENTION; AND CONVENING POLICY MAKERS AND RESEARCHERS TO DEVELOP KNOWLEDGE-BASED PUBLIC POLICY.

THE MISSION OF KFHP'S INSTITUTE FOR HEALTH POLICY (IHP) IS TO ADVANCE THE UNDERSTANDING OF KEY HEALTH POLICY ISSUES AND TO SUPPORT, IN COLLABORATION WITH OTHERS, HEALTH POLICY THAT WILL IMPROVE HEALTH AND THE MANNER IN WHICH HEALTH CARE AND FINANCING SYSTEMS SERVE THE MEMBERS OF OUR COMMUNITIES

IN 2008, IHP SPONSORED CONFERENCES, POLICY ROUNDTABLES, AND BRIEFING PAPERS ON A RANGE OF SUBJECTS THAT LEVERAGE KAISER PERMANENTE'S EXPERTISE, EXPERIENCE, AND INTERESTS, INCLUDING:

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- HEALTH CARE REFORM AND LESSONS FOR THE FEDERAL DEBATE THIS
 ROUNDTABLE HELD IN OCTOBER 2008, FEATURED A PANEL OF EXPERTS WHO
 DISCUSSED UNIVERSAL HEALTH COVERAGE AND HOW IT MIGHT BE RELEVANT TO
 FEDERAL HEALTH CARE REFORM EFFORTS. THE PROGRAM WAS CONDUCTED IN
 PARTNERSHIP WITH THE ALLIANCE FOR HEALTH REFORM.

KAISER PERMANENTE CARE MANAGEMENT INSTITUTE IS NATIONALLY RECOGNIZED FOR
 DEFINING AND SHARING EVIDENCED-BASED APPROACHES TO IMPROVING CARE. DURING
 2008, MORE THAN 50 SAFETY NET ORGANIZATIONS PARTICIPATED IN A DAY-LONG
 SEMINAR HOSTED BY CMI THAT FOCUSED ON IMPROVING CARE FOR CULTURALLY
 DIVERSE COMMUNITIES.

GRANTS AND DONATIONS FOR KNOWLEDGE DISSEMINATION
 KFHP DONATED \$250 THOUSAND TO COMMUNITY-BASED ORGANIZATIONS TO
 DISSEMINATE EVIDENCE-BASED STUDIES, WHICH INFORMED THE COMMUNITY ABOUT
 HEALTH CARE PUBLIC POLICY AND EDUCATIONAL OPPORTUNITIES FOR INDIVIDUALS
 SEEKING A CAREER AS A HEALTH CARE PROVIDER OR PROFESSIONAL.

- UCLA CENTER FOR HEALTH POLICY RESEARCH RECEIVED A GRANT TO SUPPORT
 CONTINUED IMPLEMENTATION OF AND EXPANDED DATA ELEMENTS IN THE CALIFORNIA
 HEALTH INTERVIEW SURVEY (CHIS), WHICH HAS BECOME AN ESSENTIAL DATA SOURCE
 TO SUPPORT HEALTH POLICY MAKING AND FUNDING OF HEALTH PROGRAMS IN
 CALIFORNIA.

- THE UNIVERSITY OF CALIFORNIA AT BERKELEY WAS AWARDED A GRANT FOR ITS
 BERKELEY SCHOLARS TO CAL PROGRAM, WHICH HAS AN EIGHT-YEAR COMMITMENT TO
 PROVIDE 70 AFRICAN AMERICAN AND LATINO STUDENTS WITH COMPREHENSIVE
 ACADEMIC SUPPORT WHILE ATTENDING THE UNIVERSITY.

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OTHER COMMUNITY BENEFITS

IN 2008, KFHP IN CALIFORNIA AND HAWAII SPENT APPROXIMATELY \$3 MILLION ON

OTHER COMMUNITY BENEFIT ACTIVITIES AND PROGRAMS BEYOND THE NATIONAL

STREAMS OF WORK.

OTHER GRANTS AND DONATIONS

APPROXIMATELY \$218 THOUSAND WAS CONTRIBUTED TO SUPPORT OTHER COMMUNITY

NEEDS, INITIATIVES, AND PARTNERSHIPS BEYOND THE STREAMS OF WORKS.

- HISPANAS ORGANIZED FOR POLITICAL EQUALITY (HOPE) OF CALIFORNIA

RECEIVED A \$40,000 GRANT FOR THE HOPE LEADERSHIP INSTITUTE TO DEVELOP

LEADERSHIP AND POLICY ADVOCACY SKILLS FOR LATINAS TO FOSTER IMPROVEMENTS

IN HEALTH, EDUCATION, AND ECONOMIC DEVELOPMENT FOR UNDERSERVED

COMMUNITIES STATEWIDE.

- TO CELEBRATE THEIR 50TH ANNIVERSARY IN HAWAII, KAISER FOUNDATION

HEALTH PLAN AND HOSPITAL AWARDED 50 GRANTS OF \$1,000 EACH AND ONE \$50,000

AWARD. THE HAMAKUA COMMUNITY HEALTH CENTER WAS AWARDED \$50,000 TO

PROVIDE MOBILE DENTAL SERVICES TO THE UNDERSERVED. EMPLOYEES NOMINATED

MANY OF THE NONPROFIT ORGANIZATIONS THAT WERE SELECTED TO RECEIVE ONE OF

\$1,000 GRANTS. THE GRANTS WERE AWARDED TO SERVICES FOR THE ELDERLY,

HOMELESS, DISABLED AND OTHER VULNERABLE POPULATIONS.

NATIONAL COMMUNITY BENEFIT OPERATIONS

KFHP HAS A DEDICATED COMMUNITY BENEFIT DEPARTMENT WITH 20.4 FULL-TIME

EMPLOYEES TO COORDINATE CB INITIATIVES ACROSS THE PROGRAM AND TO SUPPORT

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BOTH NATIONAL AND REGIONAL COMMUNITY BENEFIT PROGRAMS AND SERVICES.

DIRECT COMMUNITY BENEFIT INVESTMENT PROGRAM

2008 KFHP COMMUNITY BENEFIT FINANCIALS

THE FOLLOWING CHART SUMMARIZES 2008 COMMUNITY BENEFIT INVESTMENTS BY KFHP

FOR CALIFORNIA AND HAWAII. THE COMMUNITY INVESTMENTS REFLECTED IN THE

CHART ARE UNAUDITED.

NATIONAL

HEALTH PLAN

TOTAL

CARE AND COVERAGE

CHARITABLE CARE AND COVERAGE PROGRAMS \$124,900,609

GOVERNMENT-SPONSORED PROGRAMS 362,023,624

GRANTS & DONATIONS FOR CARE AND COVERAGE 17,100

CB OPERATIONS FOR CARE AND COVERAGE 3,953,169

SUBTOTAL: \$490,894,502

COMMUNITY HEALTH INITIATIVES

COMMUNITY HEALTH INITIATIVES PROGRAMS AND SERVICES \$39,990

GRANTS & DONATIONS FOR COMMUNITY HEALTH INITIATIVES 258,710

CB OPERATIONS FOR COMMUNITY HEALTH INITIATIVES 500,000

SUBTOTAL: \$798,700

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SAFETY NET PARTNERSHIPS

CB OPERATIONS FOR SAFETY NET 500,000

SUBTOTAL: \$500,000

KNOWLEDGE DISSEMINATION

HEALTH CARE PUBLIC POLICY 2,000,000

EDUCATIONAL THEATRE PROGRAMS 841,061

HEALTH CARE TRAINING AND EDUCATION PROGRAMS 86,560

GRANTS & DONATIONS FOR KNOWLEDGE DISSEMINATION 251,834

SUBTOTAL: \$3,179,455

OTHER COMMUNITY BENEFITS

OTHER CB GRANTS & DONATIONS 217,985

CB OPERATIONS 3,032,703

SUBTOTAL: \$3,250,688

TOTAL \$498,623,345

Name of the organization

Employer identification number

KAISER FOUNDATION HEALTH PLAN, INC**94-1340523**NAMES OF FOREIGN COUNTRYPART V, LINE 4BIRELAND, ITALY, SWITZERLAND, SOUTH AFRICA, NETHERLANDS, HONG KONG, JAPAN,MEXICO, NEW ZEALAND, NORWAY, PORTUGAL, SINGAPORE, SWEDEN, AUSTRIA,AUSTRALIA, DENMARK AND FINLAND

Name of the organization

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KAISER FOUNDATION HEALTH PLAN, INC

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REVENUE LESS EXPENSES DISCLOSURE

PAGE 1, PART I, LINE 19

CURRENT YEAR

REVENUE LESS EXPENSES

\$370,579,525

OTTI (NOTE 1)

<600,718,197>

UNAUDITED STANDALONE GAAP REVENUE LESS EXPENSES

<\$230,138,672>

NOTE 1:

OTHER THAN TEMPORARY IMPAIRMENT OF INVESTMENT RECOGNIZED FOR FINANCIAL

STATEMENT PURPOSES, WHICH WILL BE TAX REPORTED WHEN REALIZED

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.

2008

**Open to Public
Inspection**

KAISER FOUNDATION HEALTH PLAN, INC

94-1340523

Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity
KP CAL, LLC ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612 ORDWAY INTERNATIONAL, LTD	HEALTH CARE	CA	62,784,891.	321,703.	N/A
ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612 ORDWAY INDEMNITY, LTD	HOLDING CO.	BD	12,820.	121,548.	N/A
ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612	INSURANCE	BD	129,662.	1,996,078.	ORDWAY INT'L

Part II Identification of Related Tax-Exempt Organizations

[illegible]

Schedule R (Form 990) 2008

Part III Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income (related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations?		(I) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner?	
							Yes	No		Yes	No
HCMS, LLC 20-3924985 ONE KAISER PLAZA, SUITE 15L	CASE MANAGEMENT	CA	N/A	N/A				X			X

Part IV Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
ARCHIMEDES, INC 20-3774729 ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612	CONSULTING	CA	N/A	C CORP			
KAISER PERMANENTE INTERNATIONAL 94-3245176 ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612	CONSULTING	CA	N/A	C CORP			
KAISER PERMANENTE INSURANCE COMPANY 94-3203402 ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612	INSURANCE	CA	N/A	C CORP	199,786,086.	122,159,175.	100.0000
KAISER PROPERTIES SERVICES, INC 94-3259432 ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612	REAL ESTATE	CA	N/A	C CORP	1,188,662.	741,364.	100.0000
OAK TREE ASSURANCE, LTD 03-0329760 ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612	INSURANCE	VT	N/A	C CORP	4,819,871.	29,829,892.	100.0000

Part V Transactions With Related Organizations**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV.**1** During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity	1a X	
b Gift, grant, or capital contribution to other organization(s)	1b X	
c Gift, grant, or capital contribution from other organization(s)	1c X	
d Loans or loan guarantees to or for other organization(s)	1d	X
e Loans or loan guarantees by other organization(s)	1e	X
f Sale of assets to other organization(s)	1f	X
g Purchase of assets from other organization(s)	1g X	
h Exchange of assets	1h	X
i Lease of facilities, equipment, or other assets to other organization(s)	1i X	
j Lease of facilities, equipment, or other assets from other organization(s)	1j X	
k Performance of services or membership or fundraising solicitations for other organization(s)	1k X	
l Performance of services or membership or fundraising solicitations by other organization(s)	1l X	
m Sharing of facilities, equipment, mailing lists, or other assets	1m X	
n Sharing of paid employees	1n X	
o Reimbursement paid to other organization for expenses	1o X	
p Reimbursement paid by other organization for expenses	1p X	
q Other transfer of cash or property to other organization(s)	1q X	
r Other transfer of cash or property from other organization(s)	1r X	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(A) Name of other organization(s)	(B) Transaction type (a-r)	(C) Amount involved
(1) SEE SCHEDULE R-1		
(2)		
(3)		
(4)		
(5)		
(6)		

Part VI Unrelated Organizations Taxable as a Partnership

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See Instructions regarding exclusion for certain investment partnerships.

[illegible]

Part II Continuation of Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
<u>KAISER FDN HEALTH PLAN OF COLORADO</u> 84-0591617					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	HEALTH CARE	CO	501(C)(3)	9	N/A
<u>KAISER FDN HEALTH PLAN OF GEORGIA, INC</u> 58-1592076					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	HEALTH CARE	GA	501(C)(3)	9	N/A
<u>KFHP OF THE MID-ATLANTIC STATES, INC</u> 52-0954463					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	HEALTH CARE	MD	501(C)(3)	9	N/A
<u>KAISER FDN HEALTH CARE OF THE NORTHWEST</u> 93-0798039					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	HEALTH CARE	OR	501(C)(3)	9	N/A
<u>KAISER FDN HEALTH PLAN OF OHIO</u> 34-0922268					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	HEALTH CARE	OH	501(C)(3)	9	N/A
<u>KAISER FOUNDATION HOSPITALS</u> 94-1105628					
<u>ONA KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	HEALTH CARE	CA	501(C)(3)	3	N/A
<u>CAMP BOWIE SERVICE CENTER</u> 94-3299123					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	ADMIN	CA	501(C)(3)	11	N/A
<u>KAISER HOSPITAL ASSET MANAGEMENT, INC</u> 94-3299125					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	ASSET MGT	CA	501(C)(3)	11	N/A
<u>KAISER HEALTH PLAN ASSET MANAGEMENT, INC</u> 94-3299124					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	ASSET MGT	CA	501(C)(3)	11	N/A
<u>LOKAHI ASSURANCE, LTD</u> 91-2171891					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	RISK MGMT	HI	501(C)(3)	11	N/A
<u>KAISER HEALTH ALTERNATIVES</u> 93-0954562					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	HEALTH CARE	OR	501(C)(3)	9	N/A
<u>OHP</u> 93-0480268					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	LEASING	WA	501(C)(3)	11	N/A
<u>1800 HARRISON FOUNDATION</u> 94-3317484					
<u>ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612</u>	FINANCING	CA	501(C)(3)	11	N/A

Part III Continuation of Identification of Related Organizations Taxable as a Partnership[illegible]

Part IV Continuation of Identification of Related Organizations Taxable as a Corporation or Trust

[illegible]

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(7) KAISER FOUNDATION HOSPITALS	A	210,441,935.
(8) KAISER FOUNDATION HOSPITALS	I	50,449,373.
(9) KAISER FOUNDATION HOSPITALS	J	177,923,713.
(10) KAISER FOUNDATION HOSPITALS	K	459,008,450.
(11) KAISER FOUNDATION HOSPITALS	L	6,758,715,134.
(12) KAISER FOUNDATION HOSPITALS	N	154,913.
(13) KAISER FOUNDATION HOSPITALS	O	467,474,535.
(14) KAISER FOUNDATION HOSPITALS	P	3,073,960,607.
(15) KAISER FDN HEALTH PLAN OF COLORADO	K	38,014,453.
(16) KAISER FDN HEALTH PLAN OF COLORADO	L	3,113,322.
(17) KAISER FDN HEALTH PLAN OF COLORADO	M	7,225,930.
(18) KAISER FDN HEALTH PLAN OF COLORADO	N	204,503.
(19) KAISER FDN HEALTH PLAN OF COLORADO	O	2,556,468.
(20) KAISER FDN HEALTH PLAN OF COLORADO	P	178,583,082.
(21) KAISER FDN HEALTH PLAN OF GEORGIA, INC	C	68,685.
(22) KAISER FDN HEALTH PLAN OF GEORGIA, INC	K	19,343,187.
(23) KAISER FDN HEALTH PLAN OF GEORGIA, INC	L	2,037,099.
(24) KAISER FDN HEALTH PLAN OF GEORGIA, INC	M	1,584,183.

Schedule R-1 (Form 990) 2008

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(7) KAISER FDN HEALTH PLAN OF GEORGIA, INC	N	103,989.
(8) KAISER FDN HEALTH PLAN OF GEORGIA, INC	O	1,701,485.
(9) KAISER FDN HEALTH PLAN OF GEORGIA, INC	P	54,492,921.
(10) KFHP OF THE MID-ATLANTIC STATES, INC	K	35,588,368.
(11) KFHP OF THE MID-ATLANTIC STATES, INC	L	2,272,707.
(12) KFHP OF THE MID-ATLANTIC STATES, INC	M	2,659,723.
(13) KFHP OF THE MID-ATLANTIC STATES, INC	N	289,486.
(14) KFHP OF THE MID-ATLANTIC STATES, INC	O	8,563,568.
(15) KFHP OF THE MID-ATLANTIC STATES, INC	P	181,289,598.
(16) KAISER FDN HEALTH PLAN OF THE NORTHWEST	K	39,548,216.
(17) KAISER FDN HEALTH PLAN OF THE NORTHWEST	L	2,690,353.
(18) KAISER FDN HEALTH PLAN OF THE NORTHWEST	N	203,357.
(19) KAISER FDN HEALTH PLAN OF THE NORTHWEST	O	1,755,678.
(20) KAISER FDN HEALTH PLAN OF THE NORTHWEST	P	243,713,642.
(21) KAISER FDN HEALTH PLAN OF THE NORTHWEST	Q	9,077.
(22) OAK TREE ASSURANCE, LTD	K	91,000.
(23) OAK TREE ASSURANCE, LTD	L	2,503,492.
(24) OAK TREE ASSURANCE, LTD	O	1,984,190.

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(7) OAK TREE ASSURANCE, LTD	P	4,210,529.
(8) KAISER FDN HEALTH PLAN OF OHIO	K	12,557,760.
(9) KAISER FDN HEALTH PLAN OF OHIO	L	844,158.
(10) KAISER FDN HEALTH PLAN OF OHIO	M	1,090,837.
(11) KAISER FDN HEALTH PLAN OF OHIO	N	63,005.
(12) KAISER FDN HEALTH PLAN OF OHIO	O	7,248,844.
(13) KAISER FDN HEALTH PLAN OF OHIO	P	56,254,963.
(14) 1800 HARRISON FOUNDATION	A	273,284.
(15) 1800 HARRISON FOUNDATION	O	67,227.
(16) 1800 HARRISON FOUNDATION	P	63,434.
(17) CAMP BOWIE SERVICE CENTER	L	2,728,320.
(18) CAMP BOWIE SERVICE CENTER	O	1,397,987.
(19) CAMP BOWIE SERVICE CENTER	P	8,843,647.
(20) KAISER PROPERTIES SERVICES, INC	K	52,701.
(21) KAISER PROPERTIES SERVICES, INC	P	679,298.
(22) KP CAL, LLC	K	71,815,121.
(23) KP CAL, LLC	L	75,453,057.
(24) KP CAL, LLC	N	800.

Schedule R-1 (Form 990) 2008

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(7) KAISER PERMANENTE INSURANCE COMPANY	K	170,721.
(8) KAISER PERMANENTE INSURANCE COMPANY	L	98,623,756.
(9) KAISER PERMANENTE INSURANCE COMPANY	P	9,624,680.
(10) KAISER PERMANENTE INSURANCE COMPANY	Q	5,041,766.
(11) KAISER PERMANENTE INSURANCE COMPANY	R	165,039.
(12) LOKAHI ASSURANCE, LTD	K	10,705,683.
(13) LOKAHI ASSURANCE, LTD	L	18,903,224.
(14) LOKAHI ASSURANCE, LTD	P	25,968,500.
(15) LOKAHI ASSURANCE, LTD	R	7,091,529.
(16) ORDWAY INDEMNITY, LTD	K	250,000.
(17) ORDWAY INDEMNITY, LTD	R	2,500,000.
(18) KAISER HEALTH PLAN ASSET MANAGEMENT, INC	G	1,627,722.
(19) KAISER HEALTH PLAN ASSET MANAGEMENT, INC	J	39,381,853.
(20) KAISER HEALTH PLAN ASSET MANAGEMENT, INC	O	228.
(21) KAISER HEALTH PLAN ASSET MANAGEMENT, INC	P	40,742,517.
(22) KAISER HEALTH PLAN ASSET MANAGEMENT, INC	B	15,000,000.
(23) 1800 HARRISON	B	141,525,000.
(24)		

Schedule R-1 (Form 990) 2008

FORM 990, PART III - PROGRAM SERVICES

4A PROGRAM SERVICE

MEMBER HEALTH CARE SERVICES AND MEDICAL TRAINING TO CARE
IMPROVEMENT

KAISER FOUNDATION HEALTH PLAN INC. PROVIDES MEDICAL AND SURGICAL CARE, INCLUDING URGENT CARE SERVICES, EXTENDED CARE AND HOME HEALTH CARE, FOR ITS MEMBERS WITHOUT REGARDS TO AGE, SEX, RACE, RELIGION OR NATIONAL ORIGIN OR THE ABILITY TO PAY. KAISER FOUNDATION HEALTH PLAN, INC. EDUCATES AND TRAINS MEDICAL STUDENTS AND OTHER HEALTH CARE PROFESSIONALS AND PROMOTES SCIENTIFIC AND NURSING EDUCATION IN ORDER TO IMPROVE CARE. ADDITIONAL INFORMATION ABOUT KAISER FOUNDATION HEALTH PLAN INC'S CHARITABLE ACTIVITIES CAN BE FOUND IN SCHEDULE O.

4B PROGRAM SERVICE

CHARITABLE CARE (MEDICAL FINANCIAL ASSISTANCE AND CHARITABLE
COVERAGE)

HEALTH PLAN PROVIDES CHARITY CARE TO LOW-INCOME VULNERABLE PATIENTS THROUGH THE MEDICAL FINANCIAL ASSISTANCE (MFA) AND CHARITABLE HEALTH COVERAGE (CHC) PROGRAMS. MFA - HEALTH PLAN OFFERS FINANCIAL ASSISTANCE TO HELP FAMILIES AND INDIVIDUALS THAT ARE UNABLE TO PAY FOR ALL OR PART OF THE COST OF URGENT OR EMERGENCY CARE PROVIDED IN KAISER PERMANENTE FACILITY. IN 2008, THIS PROGRAM ASSISTED MORE THAN 21,800 APPLICANTS, PROVIDING MORE THAN 110,000 PRESCRIPTIONS AND 41,000+ OUTPATIENT OFFICE VISITS. CHC - THESE PROGRAMS ARE AVAILABLE TO LOW INCOME ADULTS AND CHILDREN WHO ARE NOT ELIGIBLE FOR OTHER PUBLIC OR PRIVATELY SPONSORED COVERAGE. MORE THAN 85,000 PATIENTS RECEIVED COMPREHENSIVE CARE FOR UP TO FOUR YEARS THROUGH THIS PROGRAM.

ADDITIONAL INFORMATION ABOUT HEALTH PLAN'S CHARITABLE ACTIVITIES CAN BE FOUND IN SCHEDULE O.

4C PROGRAM SERVICE

MEDICAID AND OTHER GOVERNMENT SPONSORED PROGRAMS

HEALTH PLAN IS COMMITTED TO IMPROVING THE WAY MEDICAID BENEFICIARIES RECEIVE CARE, NOT ONLY IN OUR FACILITIES, BUT ALSO IN THE COMMUNITIES WE SERVE. IN 2008, HEALTH PLAN PARTICIPATED IN

FORM 990, PART III - PROGRAM SERVICES

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A NUMBER OF GOVERNMENT PROGRAMS. MEDICAID MANAGED CARE - PROVIDING COMPREHENSIVE CARE FOR MORE THAN 150,000 MANAGED CARE MEMBERS; MEDICAID FEE FOR SERVICE - PROVIDING CARE TO MORE THAN 50,000 PATIENTS AND THE STATE CHILDREN'S HEALTH INITIATIVE - PROVIDING COMPREHENSIVE HEALTH BENEFITS, INCLUDING DENTAL AND VISION CARE TO MORE THAN 133,000 PATIENTS.

ADDITIONAL INFORMATION ABOUT HEALTH PLAN'S CHARITABLE ACTIVITIES CAN BE FOUND IN SCHEDULE O.

FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES
=====DESCRIPTION
-----GRANTS
-----EXPENSES
-----REVENUE

SEE SCHEDULE O

NONE

7,985,872.

NONE

TOTALS

NONE

7,985,872.

NONE

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS
=====

NAME AND ADDRESS -----	DESCRIPTION OF SERVICES -----	COMPENSATION -----
SOUTHERN CALIF PERMANENTE MEDICAL GROUP 393 EAST WALNUT STREET PASADENA, CA 91188	MEDICAL SERVICES	5262228158.
THE PERMANENTE MEDICAL GROUP 1950 FRANKLIN STREET, 18TH FLOOR OAKLAND, CA 94612	MEDICAL SERVICES	4934376537.
HAWAII PERMANENTE MEDICAL GROUP 3288 MOANALUA ROAD HONOLULU, HI 96819	MEDICAL SERVICES	119,375,695.
EMPLOYERS MUTUAL INC 700 SOUTHEAST CENTRAL PARKWAY STUART, FL 34994	AMBULANCE SERVICES	306,124,547.
KAISER FOUNDATION HOSPITALS ONE KAISER PLAZA, SUITE 15L OAKLAND, CA 94612	MEDICAL SERVICES	12318518527.
TOTAL COMPENSATION		----- 22940623464. =====

FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

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DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
PREPAID INSURANCE	4,589,028.	4,836,134.
PREPAID RENT	9,576,822.	13,481,912.
PREPAID POSTAGE	811,647.	2,102,260.
PREPAID TAX AND LICENSES	878,476.	803,518.
OTHER PREPAID EXPENSES	11,621,274.	9,423,024.
PREPAID EXP - ORDWAY	NONE	3,248.
	-----	-----
TOTALS	27,477,247.	30,650,096.
	=====	=====

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----	COST OR FMV -----
PUBLICLY TRADED SECURITIES	3,875,693,786. -----	3,502,294,506. -----	FMV
TOTALS	3,875,693,786. =====	3,502,294,506. =====	

SCHEDULE D, PART X - OTHER LIABILITIES

=====

DESCRIPTION

BOOK VALUE

RESERVE - PHYSICIAN RETIREMENT	2,469,677,702.
RESERVE FOR AUTO & UNEMPLOY.	293,965.
RESERVE FOR PROFESSIONAL & PUB	357,447,038.
RESERVE FOR WORKERS COMP RISKS	74,673,168.
LONG TERM EXTERNAL LIABILITIES	600,600.
POST RETIREMENT BENEFIT LIAB	640,872,853.
OTHER CURRENT LIABILITIES	163,903,884.
OTHER CURRENT INSTALLMENTS	70,739.
OTHER LONG-TERM LIABILITIES	342,393,858.
SECURITIES LENDING PAYABLE	1,135,349,099.
OTHER RETIREMENT LIABILITIES	496,582,464.
DUE TO AFFILIATED ORGANIZATIONS	256,190.

TOTALS

5,682,121,560.
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SCHEDULE L, PART II

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(A) NAME OF INTERESTED PERSON AND PURPOSE (B) TO FROM (C) ORIGINAL AMT. (D) BALANCE DUE (E) YES NO (F) YES NO (G) YES NO

(A) NAME OF INTERESTED PERSON AND PURPOSE	(B) TO FROM	(C) ORIGINAL AMT.	(D) BALANCE DUE	(E) YES	(F) YES	(G) YES
ROBERT BELTCH EMPLOYEE RELOCATION	X	50,000.	NONE	X	X	X
CHARLES BEVILACQUA EMPLOYEE RELOCATION	X	70,000.	20,006.	X	X	X
KELLY CANNON EMPLOYEE RELOCATION	X	100,000.	56,891.	X	X	X
THOMAS CURTIN JR EMPLOYEE RELOCATION	X	50,000.	12,500.	X	X	X
WILLIAM DALE EMPLOYEE RELOCATION	X	75,000.	75,000.	X	X	X
JOAN DANIELEY EMPLOYEE RELOCATION	X	150,000.	150,000.	X	X	X
RICHARD DANIELS EMPLOYEE RELOCATION	X	300,000.	300,000.	X	X	X
DAVID DELANEY EMPLOYEE RELOCATION	X	25,000.	25,000.	X	X	X
DEAN EDWARDS EMPLOYEE RELOCATION	X	150,000.	2,686.	X	X	X
PHILIP FASANO EMPLOYEE RELOCATION	X	500,000.	500,000.	X	X	X
MICHELE FLANAGIN EMPLOYEE RELOCATION	X	20,000.	20,000.	X	X	X
MARLENE FOSTER EMPLOYEE RELOCATION	X	75,000.	75,000.	X	X	X
JOSE GUTIERREZ EMPLOYEE RELOCATION	X	50,000.	50,000.	X	X	X
JAMES HANKINS EMPLOYEE RELOCATION	X	50,000.	NONE	X	X	X
CORWIN HARPER EMPLOYEE RELOCATION	X	70,000.	39,020.	X	X	X
BRIAN HUEY EMPLOYEE RELOCATION	X	50,000.	NONE	X	X	X
BARRY LUE EMPLOYEE RELOCATION	X	50,000.	2,685.	X	X	X
CHRISTINE MALCOLM EMPLOYEE RELOCATION	X	100,000.	3,580.	X	X	X
JAMES MARCOTTE EMPLOYEE RELOCATION	X	30,000.	30,000.	X	X	X
JAMES MARCOTTE EMPLOYEE RELOCATION	X	40,000.	40,000.	X	X	X
COLLEEN MCKEOWN EMPLOYEE RELOCATION	X	70,000.	NONE	X	X	X
FRANK MILLER EMPLOYEE RELOCATION	X	40,000.	40,000.	X	X	X
CHADWICK NESTMAN EMPLOYEE RELOCATION	X	200,000.	200,000.	X	X	X
DAVID NYBURG EMPLOYEE RELOCATION	X	100,000.	50,000.	X	X	X
WADE OVERGAARD EMPLOYEE RELOCATION	X	100,000.	100,000.	X	X	X
DEANNE PETERSON EMPLOYEE RELOCATION	X	70,000.	NONE	X	X	X
PAUL RECORDS EMPLOYEE RELOCATION	X	100,000.	100,000.	X	X	X
PAUL RECORDS EMPLOYEE RELOCATION	X	200,000.	200,000.	X	X	X
DILIP SEDANI EMPLOYEE RELOCATION	X	105,000.	52,500.	X	X	X
RONALD SMITH EMPLOYEE RELOCATION	X	75,000.	75,000.	X	X	X
VIJAY VENKATESAN EMPLOYEE RELOCATION	X	60,000.	60,000.	X	X	X
JOHN WALLACE EMPLOYEE RELOCATION	X	136,000.	NONE	X	X	X
HAROLD WOLF EMPLOYEE RELOCATION	X	200,000.	200,000.	X	X	X

TOTAL

2,479,868.

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FEDERAL FOOTNOTES

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FORM 990, PART X, LINE 5

PURSUANT TO THE TERMS OF THE ORGANIZATION'S ACCOUNTABLE EXPENSE REIMBURSEMENT PLAN, CERTAIN EXPENSES MAY BE PAID BY THE ORGANIZATION ON BEHALF OF ITS OFFICERS, DIRECTORS AND KEY EMPLOYEES WHICH ARE SUBSEQUENTLY REPAID OR REPORTED AS COMPENSATION BY SUCH PERSONS TO THE ORGANIZATION. AT ANY POINT DURING THE NORMAL BUSINESS CYCLE, THERE MAY BE AMOUNTS RECEIVABLE FROM SUCH PERSONS PURSUANT TO THE ACCOUNTABLE PLAN.